

A bill for an act

relating to state government; appropriating money for economic development and housing; establishing and modifying certain programs; providing for regulation of certain activities and practices; amending certain unemployment insurance provisions; providing for accounts, assessments, and fees; changing codes and licensing provisions; providing penalties; amending Iron Range resources provisions; making technical changes; amending Minnesota Statutes 2008, sections 15.75, subdivision 5; 16B.54, subdivision 2; 45.027, subdivision 1; 60A.315, subdivision 6; 61A.02, subdivisions 2, 2a; 61A.072, subdivision 11; 70A.06, subdivision 2; 84.94, subdivision 3; 115C.08, subdivision 4; 116J.035, subdivisions 1, 6; 116J.401, subdivision 2; 116J.424; 116J.435, subdivisions 2, 3; 116J.551, subdivision 1; 116J.68, subdivision 2; 116J.8731, subdivisions 2, 3; 116L.03, subdivision 5; 116L.05, subdivision 5; 116L.871, subdivision 1; 116L.96; 123A.08, subdivision 1; 124D.49, subdivision 3; 129D.13, subdivisions 1, 2, 3; 129D.14, subdivisions 4, 5, 6; 129D.155; 160.16, by adding a subdivision; 160.276, subdivision 8; 241.27, subdivision 1; 248.061, subdivision 3; 248.07, subdivisions 7, 8; 256J.626, subdivision 4; 256J.66, subdivision 1; 268.031; 268.035, subdivisions 2, 17, by adding subdivisions; 268.042, subdivision 3; 268.043; 268.044, subdivision 2; 268.047, subdivisions 1, 2; 268.051, subdivisions 1, 4; 268.052, subdivision 2; 268.053, subdivision 1; 268.057, subdivisions 4, 5; 268.0625, subdivision 1; 268.066; 268.067; 268.069, subdivision 1; 268.07, subdivisions 1, 2, 3, 3b; 268.084; 268.085, subdivisions 1, 2, 3, 3a, 4, 5, 6, 15; 268.095, subdivisions 1, 2, 4, 10, 11; 268.101, subdivisions 1, 2; 268.103, subdivision 1, by adding a subdivision; 268.105, subdivisions 1, 2, 3a, 4; 268.115, subdivision 5; 268.125, subdivision 5; 268.135, subdivision 4; 268.145, subdivision 1; 268.18, subdivisions 1, 2, 4a; 268.186; 268.196, subdivisions 1, 2; 268.199; 268.211; 268A.06, subdivision 1; 270.97; 298.22, subdivisions 2, 5a, 6, 7, 8, 10, 11; 298.221; 298.2211, subdivision 3; 298.2213, subdivision 4; 298.2214, by adding a subdivision; 298.223; 298.227; 298.28, subdivision 9d; 298.292, subdivision 2; 298.294; 298.296, subdivision 2; 298.2961; 325E.115, subdivision 1; 325E.1151, subdivisions 1, 3, 4; 326B.33, subdivision 13; 327C.03, by adding a subdivision; 327C.095, subdivision 12; 469.169, subdivision 3; Laws 1998, chapter 404, section 23, subdivision 6, as amended; proposing coding for new law in Minnesota Statutes, chapters 116J; 137; 161; 268; 298; 326B; repealing Minnesota Statutes 2008, sections 60A.315, subdivisions 1, 2, 3, 4, 5; 116J.402; 116J.413; 116J.58, subdivision 1; 116J.59; 116J.61; 116J.656; 116L.16; 116L.88; 116U.65; 129D.13, subdivision 4; 176.135, subdivision 1b; 268.085, subdivision 14; 268.086.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

ARTICLE 1
ECONOMIC DEVELOPMENT AND HOUSING

Section 1. SUMMARY OF APPROPRIATIONS.

The amounts shown in this section summarize direct appropriations, by fund, made in this article.

	<u>2010</u>	<u>2011</u>	<u>Total</u>
<u>General</u>	\$ <u>153,397,000</u>	\$ <u>152,131,000</u>	\$ <u>305,528,000</u>
<u>Workforce Development</u>	<u>17,007,000</u>	<u>17,257,000</u>	<u>34,264,000</u>
<u>Remediation</u>	<u>700,000</u>	<u>700,000</u>	<u>1,400,000</u>
<u>Petroleum Tank Release</u>			
<u>Clean-Up Fund</u>	<u>1,084,000</u>	<u>1,084,000</u>	<u>2,168,000</u>
<u>Workers' Compensation</u>	<u>22,940,000</u>	<u>22,940,000</u>	<u>45,880,000</u>
<u>Clean Water</u>	<u>8,225,000</u>	<u>17,350,000</u>	<u>25,575,000</u>
<u>Total</u>	\$ <u>203,703,000</u>	\$ <u>211,562,000</u>	\$ <u>415,265,000</u>

Sec. 2. APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. "The first year" is fiscal year 2010. "The second year" is fiscal year 2011. "The biennium" is fiscal years 2010 and 2011. Appropriations for the fiscal year ending June 30, 2009, are effective the day following final enactment.

APPROPRIATIONS
Available for the Year
Ending June 30
2010 2011

Sec. 3. EMPLOYMENT AND ECONOMIC DEVELOPMENT

<u>Subdivision 1. Total Appropriation</u>	\$	<u>59,339,000</u>	\$	<u>58,439,000</u>
<u>Appropriations by Fund</u>				
	<u>2010</u>	<u>2011</u>		
<u>General</u>	<u>42,632,000</u>	<u>41,732,000</u>		

3.1	<u>Workforce</u>		
3.2	<u>Development</u>	<u>16,007,000</u>	<u>16,007,000</u>
3.3	<u>Remediation</u>	<u>700,000</u>	<u>700,000</u>
3.4	<u>The amounts that may be spent for each</u>		
3.5	<u>purpose are specified in the following</u>		
3.6	<u>subdivisions.</u>		
3.7	<u>Subd. 2. Business and Community</u>		
3.8	<u>Development</u>	<u>10,251,000</u>	<u>9,501,000</u>
3.9	<u>Appropriations by Fund</u>		
3.10	<u>General</u>	<u>9,551,000</u>	<u>8,801,000</u>
3.11	<u>Remediation</u>	<u>700,000</u>	<u>700,000</u>
3.12	<u>(a) \$700,000 the first year and \$700,000 the</u>		
3.13	<u>second year are from the remediation fund for</u>		
3.14	<u>contaminated site cleanup and development</u>		
3.15	<u>grants under Minnesota Statutes, section</u>		
3.16	<u>116J.554. This appropriation is available</u>		
3.17	<u>until expended.</u>		
3.18	<u>(b) \$175,000 each year is from the general</u>		
3.19	<u>fund for a grant to WomenVenture for</u>		
3.20	<u>women's business development programs</u>		
3.21	<u>and for programs that encourage and assist</u>		
3.22	<u>women to enter nontraditional careers in the</u>		
3.23	<u>trades; manual and technical occupations;</u>		
3.24	<u>science, technology, engineering, and</u>		
3.25	<u>mathematics-related occupations; and green</u>		
3.26	<u>jobs. This appropriation may be matched</u>		
3.27	<u>dollar for dollar with any resources available</u>		
3.28	<u>from the federal government for these</u>		
3.29	<u>purposes with priority given to initiatives</u>		
3.30	<u>that have a goal of increasing by at least ten</u>		
3.31	<u>percent the number of women in occupations</u>		
3.32	<u>where women currently comprise less than 25</u>		
3.33	<u>percent of the workforce. The appropriation</u>		
3.34	<u>is available until expended.</u>		

4.1 (c) \$200,000 the first year and \$200,000
4.2 the second year are for a grant to the
4.3 Metropolitan Economic Development
4.4 Association for continuing minority business
4.5 development programs in the metropolitan
4.6 area.

4.7 (d) \$500,000 the first year and \$500,000 the
4.8 second year are for a grant to the BioBusiness
4.9 Alliance of Minnesota for bioscience
4.10 business development programs to promote
4.11 and position the state as a global leader in
4.12 bioscience business activities.

4.13 (e) Of the money available in the Minnesota
4.14 Investment Fund, Minnesota Statutes, section
4.15 116J.8731, to the commissioner of the
4.16 Department of Employment and Economic
4.17 Development, \$3,000,000 is appropriated
4.18 in fiscal year 2010 for a loan to an aircraft
4.19 manufacturing and assembly company,
4.20 associated with the aerospace industry, for
4.21 equipment utilized to establish an aircraft
4.22 completion center at the Minneapolis-St.
4.23 Paul International Airport. The finishing
4.24 center must use the state's vocational training
4.25 programs designed specifically for aircraft
4.26 maintenance training, and to the extent
4.27 possible, work to recruit employees from
4.28 these programs. The center must create at
4.29 least 200 new manufacturing jobs within 24
4.30 months of receiving the loan, and create not
4.31 less than 500 new manufacturing jobs over a
4.32 five-year period in Minnesota.

4.33 This loan is not subject to loan limitations
4.34 under Minnesota Statutes, section 116J.8731,
4.35 subdivision 5. Any match requirements

5.1 under Minnesota Statutes, section 116J.8731,
5.2 subdivision 3, may be made from current
5.3 resources. This is a onetime appropriation
5.4 and is effective the day following final
5.5 enactment.

5.6 (f) \$79,000 the first year and \$79,000 the
5.7 second year are for grants to the Minnesota
5.8 Inventors Congress. Of this amount, \$10,000
5.9 each year is for the Student Inventors
5.10 Congress.

5.11 (g) \$375,000 the first year and \$375,000 the
5.12 second year are for the Office of Science and
5.13 Technology. These amounts are added to the
5.14 agency's budget base.

5.15 (h) \$500,000 the first year and \$500,000 the
5.16 second year are for a grant to Enterprise
5.17 Minnesota, Inc., for the small business
5.18 growth acceleration program under
5.19 Minnesota Statutes, section 116O.115. These
5.20 amounts are added to the agency's budget
5.21 base.

5.22 (i) \$250,000 the first year and \$250,000
5.23 the second year are for a grant to the Rural
5.24 Policy and Development Center at St. Peter,
5.25 Minnesota, under Minnesota Statutes, section
5.26 116J.421.

5.27 (j) \$350,000 the first year is for a grant
5.28 to the city of Hugo to be used for relief
5.29 from damages caused by the May 25, 2008,
5.30 tornado. This is a onetime appropriation and
5.31 is available until expended. The city of Hugo
5.32 may reimburse Oneka Elementary School up
5.33 to \$7,800 for costs attributable to the tornado.

5.34 (k) \$300,000 the first year is for a grant
5.35 to Minnesota State University, Mankato,

6.1 for the International Renewable Energy
6.2 Technical Institute (IRETI) to be located
6.3 at the university. The institute is a
6.4 public and private partnership to support
6.5 applied research in renewable energy and
6.6 energy efficiency, to aid in the transfer of
6.7 technology from Sweden to Minnesota, and
6.8 to support technology commercialization
6.9 from companies located in Minnesota and
6.10 throughout the world. This is a onetime
6.11 appropriation.

6.12 (l) \$100,000 is for the commissioner of
6.13 employment and economic development to
6.14 develop a program to make grants available
6.15 to local government units to mitigate the
6.16 impacts of transportation construction on
6.17 local small business. This is a onetime
6.18 appropriation and is available until expended.

6.19	<u>Subd. 3. Workforce Development</u>	<u>46,662,000</u>	<u>46,512,000</u>
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6.20	<u>Appropriations by Fund</u>		
6.21	<u>General</u>	<u>30,655,000</u>	<u>30,505,000</u>
6.22	<u>Workforce</u>		
6.23	<u>Development</u>	<u>16,007,000</u>	<u>16,007,000</u>

6.24 (a) \$4,562,000 the first year and \$4,562,000
6.25 the second year are for the Minnesota job
6.26 skills partnership program under Minnesota
6.27 Statutes, sections 116L.01 to 116L.17. If the
6.28 appropriation for either year is insufficient,
6.29 the appropriation for the other year is
6.30 available for it. This appropriation is
6.31 available until expended.

6.32 (b) \$8,800,000 the first year and \$8,800,000
6.33 the second year are for the state's vocational
6.34 rehabilitation program under Minnesota
6.35 Statutes, chapter 268A.

- 7.1 (c) \$5,986,000 the first year and \$5,986,000
7.2 the second year are for the state services for
7.3 the blind activities.
- 7.4 (d) \$2,380,000 the first year and \$2,380,000
7.5 the second year are for grants to centers for
7.6 independent living under Minnesota Statutes,
7.7 section 268A.11.
- 7.8 (e) \$455,000 the first year and \$455,000 the
7.9 second year are for a grant under Minnesota
7.10 Statutes, section 116J.8747, to Twin Cities
7.11 RISE! to provide training to hard-to-train
7.12 individuals.
- 7.13 (f) \$250,000 the first year and \$250,000
7.14 the second year are for a grant to Northern
7.15 Connections in Perham to implement and
7.16 operate a pilot workforce program that
7.17 provides one-stop supportive services
7.18 to individuals as they transition into the
7.19 workforce.
- 7.20 (g) \$375,000 the first year and \$375,000
7.21 the second year are for a grant to Ramsey
7.22 County Workforce Investment Board for the
7.23 development of the building lives program.
7.24 This appropriation is added to the agency's
7.25 budget base.
- 7.26 (h) \$150,000 the first year and \$150,000 the
7.27 second year are for a grant to Advocating
7.28 Change Together for training, technical
7.29 assistance, and resource materials for persons
7.30 with developmental and mental illness
7.31 disabilities.
- 7.32 (i) \$5,627,000 each year is from the general
7.33 fund and \$6,830,000 each year is from the
7.34 workforce development fund for extended
7.35 employment services for persons with severe

8.1 disabilities or related conditions under
8.2 Minnesota Statutes, section 268A.15. Of
8.3 the general fund appropriation, \$125,000
8.4 each year is to supplement funds paid for
8.5 wage incentives for the community support
8.6 fund established in Minnesota Rules, part
8.7 3300.2045.

8.8 (j) \$250,000 the first year and \$100,000
8.9 the second year are for grants to Minnesota
8.10 Diversified Industries, Inc., to provide
8.11 progressive development and employment
8.12 opportunities for people with disabilities.
8.13 This appropriation is available in either
8.14 year of the biennium. The budget base
8.15 for Minnesota Diversified Industries, Inc.,
8.16 is \$175,000 each year in the 2012-2013
8.17 biennium.

8.18 (k) \$1,600,000 the first year and \$1,600,000
8.19 the second year are for grants to programs
8.20 that provide employment support services to
8.21 persons with mental illness under Minnesota
8.22 Statutes, sections 268A.13 and 268A.14.
8.23 Up to \$77,000 each year may be used for
8.24 administrative expenses.

8.25 (l) \$75,000 the first year and \$75,000 the
8.26 second year are for a grant to MN Works!, a
8.27 nonprofit organization that works on behalf
8.28 of all licensed vendors in order to increase
8.29 employment opportunities for persons
8.30 with disabilities. These appropriations are
8.31 available in either year of the biennium and
8.32 are added to the agency's budget base.

8.33 (m) \$145,000 each year is from the general
8.34 fund and \$163,000 each year is from
8.35 the workforce development fund for a

9.1 grant under Minnesota Statutes, section
9.2 268A.03, to Rise, Inc. for the Minnesota
9.3 Employment Center for People Who are Deaf
9.4 or Hard-of-Hearing. Money not expended
9.5 the first year is available the second year.
9.6 (n) \$350,000 the first year and \$350,000
9.7 the second year are from the workforce
9.8 development fund for a grant to Lifetrack
9.9 Resources for its immigrant and refugee
9.10 collaborative program, including those
9.11 related to job-seeking skills and workplace
9.12 orientation, intensive job development,
9.13 functional work English, and on-site job
9.14 coaching.
9.15 (o) \$3,255,000 the first year and \$3,255,000
9.16 the second year are from the workforce
9.17 development fund for the Minnesota youth
9.18 program under Minnesota Statutes, sections
9.19 116L.56 and 116L.561.
9.20 (p) \$1,250,000 the first year and \$1,250,000
9.21 the second year are from the workforce
9.22 development fund for the Opportunities
9.23 Industrialization Center programs.
9.24 (q) \$1,200,000 the first year and \$1,200,000
9.25 the second year are from the workforce
9.26 development fund for grants for the
9.27 Minneapolis summer youth employment
9.28 program. The grants shall be used to fund
9.29 up to 500 jobs for youth each summer. Of
9.30 this appropriation, \$300,000 each year is for
9.31 a grant to the learn-to-earn summer youth
9.32 employment program. The commissioner
9.33 shall establish criteria for awarding the
9.34 grants. This appropriation is available in

10.1 either year of the biennium and is available
10.2 until spent.

10.3 (r) \$1,000,000 each year from the workforce
10.4 development fund is for a grant to the
10.5 Minnesota Alliance of Boys and Girls
10.6 Clubs to administer a statewide project
10.7 of youth jobs skills development. This
10.8 project, which may have career guidance
10.9 components, including health and life skills,
10.10 is to encourage, train, and assist youth in
10.11 job-seeking skills, workplace orientation,
10.12 and job-site knowledge through coaching.
10.13 This grant requires a 25 percent match from
10.14 nonstate resources.

10.15 (s) \$558,000 the first year and \$558,000
10.16 the second year are from the workforce
10.17 development fund for grants to fund summer
10.18 youth employment in St. Paul. The grants
10.19 shall be used to fund up to 500 jobs for
10.20 youth each summer. The commissioner shall
10.21 establish criteria for awarding the grants.
10.22 This appropriation is available in either year
10.23 of the biennium and is available until spent.

10.24 (t) \$1,075,000 the first year and \$1,075,000
10.25 the second year are from the workforce
10.26 development fund for the youthbuild
10.27 program under Minnesota Statutes, sections
10.28 116L.361 to 116L.366.

10.29 (u) \$326,000 the first year and \$326,000
10.30 the second year are from the workforce
10.31 development fund for grants to provide
10.32 interpreters for a regional transition program
10.33 that specializes in providing culturally
10.34 appropriate transition services leading to

11.1 employment for deaf, hard-of-hearing, and
11.2 deaf-blind students.

11.3 (v) The first \$1,450,000 deposited in each
11.4 year of the biennium into the contingent
11.5 account created under Minnesota Statutes,
11.6 section 268.199, must be transferred
11.7 before the closing of each fiscal year to
11.8 the workforce development fund created
11.9 under Minnesota Statutes, section 116L.20.
11.10 Deposits in excess of \$1,450,000 must be
11.11 transferred before the closing of each fiscal
11.12 year to the general fund.

11.13 Subd. 4. State-Funded Administration 2,426,000 2,426,000

11.14 The transfer of funds to the governor's office
11.15 for the Washington, D.C. office function is
11.16 \$20,000 each year.

11.17 Sec. 4. PUBLIC FACILITIES AUTHORITY \$ 8,318,000 \$ 17,443,000

11.18 Appropriations by Fund

11.19 <u>Clean Water</u>	<u>8,225,000</u>	<u>17,350,000</u>
11.20 <u>General</u>	<u>93,000</u>	<u>93,000</u>

11.21 The following appropriations are from the
11.22 clean water fund unless noted.

11.23 (a) \$5,000,000 the first year and \$10,000,000
11.24 the second year are for the total maximum
11.25 daily load grant program under Minnesota
11.26 Statutes, section 446A.073. This
11.27 appropriation is available until spent.

11.28 (b) \$2,500,000 the first year and \$5,000,000
11.29 the second year are for the clean water legacy
11.30 phosphorus reduction grant program under
11.31 Minnesota Statutes, section 446A.074. This
11.32 appropriation is available until spent.

11.33 (c) \$125,000 the first year and \$250,000 the
11.34 second year are for the small community

12.1 wastewater treatment program for technical
12.2 assistance grants under Minnesota Statutes,
12.3 section 446A.075. This appropriation is
12.4 available until spent.

12.5 (d) \$500,000 the first year and \$2,000,000
12.6 the second year are for the small
12.7 community wastewater treatment program
12.8 for construction loans and grants under
12.9 Minnesota Statutes, section 446A.075. This
12.10 appropriation is available until spent.

12.11 (e) \$100,000 the first year and \$100,000 the
12.12 second year are for the small community
12.13 wastewater treatment program under
12.14 Minnesota Statutes, chapter 446A. This
12.15 appropriation is available until spent.

12.16 (f) \$93,000 the first year and \$93,000 the
12.17 second year are for the small community
12.18 wastewater treatment program under
12.19 Minnesota Statutes, chapter 446A. These
12.20 appropriations are from the general fund.

12.21 **Sec. 5. EXPLORE MINNESOTA TOURISM \$ 11,417,000 \$ 11,417,000**

12.22 (a) To develop maximum private sector
12.23 involvement in tourism, \$500,000 the first
12.24 year and \$500,000 the second year must
12.25 be matched by Explore Minnesota Tourism
12.26 from nonstate sources. Each \$1 of state
12.27 incentive must be matched with \$3 of private
12.28 sector funding. Cash match is defined as
12.29 revenue to the state or documented cash
12.30 expenditures directly expended to support
12.31 Explore Minnesota Tourism programs. Up
12.32 to one-half of the private sector contribution
12.33 may be in-kind or soft match. The incentive
12.34 in the first year shall be based on fiscal

13.1 year 2009 private sector contributions. The
13.2 incentive in the second year will be based on
13.3 fiscal year 2010 private sector contributions.
13.4 This incentive is ongoing.

13.5 Funding for the marketing grants is available
13.6 either year of the biennium. Unexpended
13.7 grant funds from the first year are available
13.8 in the second year.

13.9 Unexpended money from the general fund
13.10 appropriations made under this section
13.11 does not cancel but must be placed in a
13.12 special marketing account for use by Explore
13.13 Minnesota Tourism for additional marketing
13.14 activities.

13.15 (b) \$325,000 the first year and \$325,000 the
13.16 second year are for the Minnesota Film and
13.17 TV Board. The appropriation in each year
13.18 is available only upon receipt by the board
13.19 of \$1 in matching contributions of money or
13.20 in-kind contributions from nonstate sources
13.21 for every \$3 provided by this appropriation.

13.22 (c) \$1,675,000 the first year and \$1,675,000
13.23 the second year are for a grant to the
13.24 Minnesota Film and TV Board for the
13.25 film jobs production program under
13.26 Minnesota Statutes, section 116U.26. These
13.27 appropriations are available in either year
13.28 of the biennium and are available until
13.29 expended.

13.30 **Sec. 6. HOUSING FINANCE AGENCY**

13.31	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>42,560,000</u>	<u>\$</u>	<u>42,560,000</u>
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13.32 The amounts that may be spent for each
13.33 purpose are specified in the following
13.34 subdivisions.

14.1	<u>This appropriation is for transfer to the</u>		
14.2	<u>housing development fund for the programs</u>		
14.3	<u>specified. Except as otherwise indicated, this</u>		
14.4	<u>transfer is part of the agency's permanent</u>		
14.5	<u>budget base. The agency's budget base is</u>		
14.6	<u>\$42,710,000 in each year of the 2012-2013</u>		
14.7	<u>biennium.</u>		
14.8	<u>Subd. 2. Challenge Program</u>	<u>6,769,000</u>	<u>6,769,000</u>
14.9	<u>For the economic development and housing</u>		
14.10	<u>challenge program under Minnesota</u>		
14.11	<u>Statutes, section 462A.33. Of this amount,</u>		
14.12	<u>\$1,395,000 each year shall be made available</u>		
14.13	<u>during the first eight months of the fiscal</u>		
14.14	<u>year exclusively for housing projects for</u>		
14.15	<u>American Indians. Any funds not committed</u>		
14.16	<u>to housing projects for American Indians in</u>		
14.17	<u>the first eight months of the fiscal year shall</u>		
14.18	<u>be available for any eligible activity under</u>		
14.19	<u>Minnesota Statutes, section 462A.33.</u>		
14.20	<u>Subd. 3. Housing Trust Fund</u>	<u>10,805,000</u>	<u>10,805,000</u>
14.21	<u>For deposit in the housing trust fund account</u>		
14.22	<u>created under Minnesota Statutes, section</u>		
14.23	<u>462A.201, and used for the purposes</u>		
14.24	<u>provided in that section.</u>		
14.25	<u>\$250,000 the first year and \$250,000 the</u>		
14.26	<u>second year are for a grant to a nonprofit</u>		
14.27	<u>organization for a demonstration project for</u>		
14.28	<u>high-risk adults under Laws 2007, chapter</u>		
14.29	<u>54, article 1, section 19.</u>		
14.30	<u>Subd. 4. Rental Assistance for Mentally Ill</u>	<u>2,638,000</u>	<u>2,638,000</u>
14.31	<u>For a rental housing assistance program for</u>		
14.32	<u>persons with a mental illness or families with</u>		
14.33	<u>an adult member with a mental illness under</u>		
14.34	<u>Minnesota Statutes, section 462A.2097.</u>		

15.1	<u>Subd. 5. Family Homeless Prevention</u>	<u>7,465,000</u>	<u>7,465,000</u>
15.2	<u>For the family homeless prevention and</u>		
15.3	<u>assistance programs under Minnesota</u>		
15.4	<u>Statutes, section 462A.204.</u>		
15.5	<u>Subd. 6. Home Ownership Assistance Fund</u>	<u>685,000</u>	<u>685,000</u>
15.6	<u>For the home ownership assistance program</u>		
15.7	<u>under Minnesota Statutes, section 462A.21,</u>		
15.8	<u>subdivision 8.</u>		
15.9	<u>Subd. 7. Affordable Rental Investment Fund</u>	<u>8,796,000</u>	<u>8,796,000</u>
15.10	<u>For the affordable rental investment fund</u>		
15.11	<u>program under Minnesota Statutes, section</u>		
15.12	<u>462A.21, subdivision 8b. The appropriation</u>		
15.13	<u>is to finance the acquisition, rehabilitation,</u>		
15.14	<u>and debt restructuring of federally assisted</u>		
15.15	<u>rental property and for making equity</u>		
15.16	<u>take-out loans under Minnesota Statutes,</u>		
15.17	<u>section 462A.05, subdivision 39.</u>		
15.18	<u>The owner of federally assisted rental</u>		
15.19	<u>property must agree to participate in</u>		
15.20	<u>the applicable federally assisted housing</u>		
15.21	<u>program and to extend any existing</u>		
15.22	<u>low-income affordability restrictions on the</u>		
15.23	<u>housing for the maximum term permitted.</u>		
15.24	<u>The owner must also enter into an agreement</u>		
15.25	<u>that gives local units of government,</u>		
15.26	<u>housing and redevelopment authorities,</u>		
15.27	<u>and nonprofit housing organizations the</u>		
15.28	<u>right of first refusal if the rental property</u>		
15.29	<u>is offered for sale. Priority must be given</u>		
15.30	<u>among comparable federally assisted rental</u>		
15.31	<u>properties to properties with the longest</u>		
15.32	<u>remaining term under an agreement for</u>		
15.33	<u>federal assistance. Priority must also be</u>		
15.34	<u>given among comparable rental housing</u>		

16.1	<u>developments to developments that are or</u>		
16.2	<u>will be owned by local government units, a</u>		
16.3	<u>housing and redevelopment authority, or a</u>		
16.4	<u>nonprofit housing organization.</u>		
16.5	<u>The appropriation also may be used to finance</u>		
16.6	<u>the acquisition, rehabilitation, and debt</u>		
16.7	<u>restructuring of existing supportive housing</u>		
16.8	<u>properties. For purposes of this subdivision,</u>		
16.9	<u>"supportive housing" means affordable rental</u>		
16.10	<u>housing with links to services necessary for</u>		
16.11	<u>individuals, youth, and families with children</u>		
16.12	<u>to maintain housing stability.</u>		
16.13	<u>Subd. 8. Housing Rehabilitation</u>	<u>4,287,000</u>	<u>4,287,000</u>
16.14	<u>For the housing rehabilitation program</u>		
16.15	<u>under Minnesota Statutes, section 462A.05,</u>		
16.16	<u>subdivision 14, for rental housing</u>		
16.17	<u>developments.</u>		
16.18	<u>Subd. 9. Homeownership Education,</u>		
16.19	<u>Counseling, and Training</u>	<u>865,000</u>	<u>865,000</u>
16.20	<u>For the homeownership education,</u>		
16.21	<u>counseling, and training program under</u>		
16.22	<u>Minnesota Statutes, section 462A.209.</u>		
16.23	<u>Subd. 10. Capacity Building Grants</u>	<u>250,000</u>	<u>250,000</u>
16.24	<u>For nonprofit capacity building grants</u>		
16.25	<u>under Minnesota Statutes, section 462A.21,</u>		
16.26	<u>subdivision 3b.</u>		
16.27	<u>Sec. 7. LABOR AND INDUSTRY</u>		
16.28	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 22,397,000</u>	<u>\$ 22,647,000</u>
16.29	<u>Appropriations by Fund</u>		
16.30	<u>2010</u>	<u>2011</u>	
16.31	<u>General</u>	<u>911,000</u>	<u>911,000</u>
16.32	<u>Workers'</u>		
16.33	<u>Compensation</u>	<u>20,486,000</u>	<u>20,486,000</u>
16.34	<u>Workforce</u>		
16.35	<u>Development</u>	<u>1,000,000</u>	<u>1,250,000</u>

17.1	<u>The amounts that may be spent for each</u>		
17.2	<u>purpose are specified in the following</u>		
17.3	<u>subdivisions.</u>		
17.4	<u>Subd. 2. Workers' Compensation</u>	<u>14,890,000</u>	<u>14,890,000</u>
17.5	<u>This appropriation is from the workers'</u>		
17.6	<u>compensation fund.</u>		
17.7	<u>Subd. 3. Labor Standards and Apprenticeship</u>	<u>1,911,000</u>	<u>2,161,000</u>
17.8	<u>Appropriations by Fund</u>		
17.9	<u>General</u>	<u>911,000</u>	<u>911,000</u>
17.10	<u>Workforce</u>		
17.11	<u>Development</u>	<u>1,000,000</u>	<u>1,250,000</u>
17.12	<u>The appropriation from the workforce</u>		
17.13	<u>development fund is for the apprenticeship</u>		
17.14	<u>program under Minnesota Statutes, chapter</u>		
17.15	<u>178, and includes \$100,000 each year for</u>		
17.16	<u>labor education and advancement program</u>		
17.17	<u>grants.</u>		
17.18	<u>The appropriation increase from the</u>		
17.19	<u>workforce development fund is for the</u>		
17.20	<u>apprenticeship program under Minnesota</u>		
17.21	<u>Statutes, chapter 178, and includes \$250,000</u>		
17.22	<u>in fiscal year 2010 and \$500,000 in fiscal</u>		
17.23	<u>year 2011 to expand and promote registered</u>		
17.24	<u>apprenticeship training in nonconstruction</u>		
17.25	<u>trade programs. These amounts are added to</u>		
17.26	<u>the agency's budget base.</u>		
17.27	<u>The commissioner must not reduce any</u>		
17.28	<u>funding available for prevailing wage</u>		
17.29	<u>enforcement and must fill all positions when</u>		
17.30	<u>vacancies become available.</u>		
17.31	<u>Subd. 4. General Support</u>	<u>5,596,000</u>	<u>5,596,000</u>
17.32	<u>This appropriation is from the workers'</u>		
17.33	<u>compensation fund.</u>		

18.1	Sec. 8. <u>BUREAU OF MEDIATION</u>			
18.2	<u>SERVICES</u>			
18.3	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>1,683,000</u>	<u>\$</u> <u>1,683,000</u>
18.4	<u>The amounts that may be spent for each</u>			
18.5	<u>purpose are specified in the following</u>			
18.6	<u>subdivisions.</u>			
18.7	<u>Subd. 2. Mediation Services</u>		<u>1,583,000</u>	<u>1,583,000</u>
18.8	<u>Subd. 3. Labor Management Cooperation</u>			
18.9	<u>Grants</u>		<u>100,000</u>	<u>100,000</u>
18.10	<u>\$100,000 the first year and \$100,000</u>			
18.11	<u>the second year are for grants to area</u>			
18.12	<u>labor-management committees. Grants may</u>			
18.13	<u>be awarded for a 12-month period beginning</u>			
18.14	<u>July 1 of each year. Any unencumbered</u>			
18.15	<u>balance remaining at the end of the first</u>			
18.16	<u>year does not cancel but is available for the</u>			
18.17	<u>second year.</u>			
18.18	Sec. 9. <u>WORKERS' COMPENSATION</u>			
18.19	<u>COURT OF APPEALS</u>	<u>\$</u>	<u>1,703,000</u>	<u>\$</u> <u>1,703,000</u>
18.20	<u>This appropriation is from the workers'</u>			
18.21	<u>compensation fund.</u>			
18.22	Sec. 10. <u>MINNESOTA HISTORICAL</u>			
18.23	<u>SOCIETY</u>			
18.24	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>23,337,000</u>	<u>\$</u> <u>23,221,000</u>
18.25	<u>The amounts that may be spent for each</u>			
18.26	<u>purpose are specified in the following</u>			
18.27	<u>subdivisions.</u>			
18.28	<u>Subd. 2. Education and Outreach</u>		<u>13,122,000</u>	<u>13,122,000</u>
18.29	<u>Subd. 3. Preservation and Access</u>		<u>9,853,000</u>	<u>9,853,000</u>
18.30	<u>Subd. 4. Fiscal Agent</u>			
18.31	<u>(a) Minnesota International Center</u>		<u>43,000</u>	<u>43,000</u>
18.32	<u>(b) Minnesota Air National Guard Museum</u>		<u>16,000</u>	<u>-0-</u>

19.1	<u>(c) Minnesota Military Museum</u>	<u>100,000</u>	<u>-0-</u>
19.2	<u>(d) Farmamerica</u>	<u>128,000</u>	<u>128,000</u>
19.3	<u>(e) \$75,000 the first year and \$75,000 the</u>		
19.4	<u>second year are for a grant to the city of</u>		
19.5	<u>Eveleth to be used for the support of the</u>		
19.6	<u>Hockey Hall of Fame Museum provided</u>		
19.7	<u>that it continues to operate in the city. This</u>		
19.8	<u>grant is in addition to and must not be</u>		
19.9	<u>used to supplant funding under Minnesota</u>		
19.10	<u>Statutes, section 298.28, subdivision 9c. This</u>		
19.11	<u>appropriation is added to the society's budget</u>		
19.12	<u>base.</u>		
19.13	<u>(f) Balances Forward</u>		
19.14	<u>Any unencumbered balance remaining in</u>		
19.15	<u>this subdivision the first year does not cancel</u>		
19.16	<u>but is available for the second year of the</u>		
19.17	<u>biennium.</u>		
19.18	<u>Subd. 5. Fund Transfer</u>		
19.19	<u>The Minnesota Historical Society may</u>		
19.20	<u>reallocate funds appropriated in and between</u>		
19.21	<u>subdivisions 2 and 3 for any program</u>		
19.22	<u>purposes and the appropriations are available</u>		
19.23	<u>in either year of the biennium.</u>		
19.24	<u>Sec. 11. BOARD OF THE ARTS</u>		
19.25	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 9,303,000</u>	<u>\$ 9,303,000</u>
19.26	<u>The amounts that may be spent for each</u>		
19.27	<u>purpose are specified in the following</u>		
19.28	<u>subdivisions.</u>		
19.29	<u>Subd. 2. Operations and Services</u>	<u>651,000</u>	<u>651,000</u>
19.30	<u>Subd. 3. Grants Program</u>	<u>6,013,000</u>	<u>6,013,000</u>
19.31	<u>Subd. 4. Regional Arts Councils</u>	<u>2,639,000</u>	<u>2,639,000</u>

20.1	Sec. 12. <u>HUMANITIES COMMISSION</u>	\$	<u>250,000</u>	\$	<u>250,000</u>
20.2	Sec. 13. <u>PUBLIC BROADCASTING</u>	\$	<u>2,515,000</u>	\$	<u>2,515,000</u>
20.3	<u>(a) \$500,000 is for a grant to Minnesota</u>				
20.4	<u>Public Radio to assist with conversion to a</u>				
20.5	<u>digital broadcast signal. This is a onetime</u>				
20.6	<u>appropriation.</u>				
20.7	<u>(b) \$1,161,000 the first year and \$1,161,000</u>				
20.8	<u>the second year are for matching grants for</u>				
20.9	<u>public television.</u>				
20.10	<u>(c) \$200,000 the first year and \$200,000</u>				
20.11	<u>the second year are for public television</u>				
20.12	<u>equipment grants. Equipment or matching</u>				
20.13	<u>grant allocations shall be made after</u>				
20.14	<u>considering the recommendations of the</u>				
20.15	<u>Minnesota Public Television Association.</u>				
20.16	<u>(d) \$17,000 the first year and \$17,000 the</u>				
20.17	<u>second year are for grants to the Twin Cities</u>				
20.18	<u>regional cable channel.</u>				
20.19	<u>(e) \$287,000 the first year and \$287,000 the</u>				
20.20	<u>second year are for community service grants</u>				
20.21	<u>to public educational radio stations.</u>				
20.22	<u>(f) \$100,000 the first year and \$100,000</u>				
20.23	<u>the second year are for equipment grants to</u>				
20.24	<u>public educational radio stations.</u>				
20.25	<u>(g) The grants in paragraphs (e) and (f)</u>				
20.26	<u>must be allocated after considering the</u>				
20.27	<u>recommendations of the Association of</u>				
20.28	<u>Minnesota Public Educational Radio Stations</u>				
20.29	<u>under Minnesota Statutes, section 129D.14.</u>				
20.30	<u>(h) \$250,000 the first year and \$250,000</u>				
20.31	<u>the second year are for equipment grants to</u>				
20.32	<u>Minnesota Public Radio, Inc.</u>				

21.1 (i) Any unencumbered balance remaining the
21.2 first year for grants to public television or
21.3 radio stations does not cancel and is available
21.4 for the second year.

21.5 Sec. 14. COMMERCE

21.6 Subdivision 1. Total Appropriation \$ 18,642,000 \$ 18,642,000

21.7	<u>Appropriations by Fund</u>		
21.8		<u>2010</u>	<u>2011</u>
21.9	<u>General</u>	<u>16,807,000</u>	<u>16,807,000</u>
21.10	<u>Petroleum Cleanup</u>	<u>1,084,000</u>	<u>1,084,000</u>
21.11	<u>Workers'</u>		
21.12	<u>Compensation</u>	<u>751,000</u>	<u>751,000</u>

21.13 The amounts that may be spent for each
21.14 purpose are specified in the following
21.15 subdivisions.

21.16 Subd. 2. Financial Examinations 6,637,000 6,637,000

21.17 Subd. 3. Petroleum Tank Release Cleanup
21.18 Board 1,084,000 1,084,000

21.19 This appropriation is from the petroleum
21.20 tank release cleanup fund.

21.21 Subd. 4. Administrative Services 4,300,000 4,300,000

21.22 Subd. 5. Market Assurance 6,621,000 6,621,000

21.23	<u>Appropriations by Fund</u>		
21.24	<u>General</u>	<u>5,870,000</u>	<u>5,870,000</u>
21.25	<u>Workers'</u>		
21.26	<u>Compensation</u>	<u>751,000</u>	<u>751,000</u>

21.27 Sec. 15. BOARD OF ACCOUNTANCY \$ 505,000 \$ 505,000

21.28 Sec. 16. BOARD OF ARCHITECTURE,
21.29 ENGINEERING, LAND SURVEYING,
21.30 LANDSCAPE ARCHITECTURE,
21.31 GEOSCIENCE, AND INTERIOR DESIGN \$ 815,000 \$ 815,000

21.32 Sec. 17. BOARD OF BARBER AND
21.33 COSMETOLOGIST EXAMINERS \$ 839,000 \$ 839,000

22.1 Sec. 18. COMBATIVE SPORTS
22.2 COMMISSION \$ 80,000 \$ 80,000

22.3 Sec. 19. TRANSFERS

22.4 By June 30, 2010, the commissioner of
22.5 finance shall transfer \$4,250,000, and by June
22.6 30, 2011, \$4,250,000 of the unencumbered
22.7 balance in the workforce development fund
22.8 to the general fund.

22.9 By July 31, 2009, the commissioner of
22.10 finance shall transfer \$500,000 from the
22.11 unexpended balance in the auto theft
22.12 prevention account to the general fund.

22.13 **ARTICLE 2**
22.14 **EMPLOYMENT AND ECONOMIC DEVELOPMENT POLICY**

22.15 Section 1. Minnesota Statutes 2008, section 116J.435, subdivision 2, is amended to
22.16 read:

22.17 Subd. 2. **Definitions.** For purposes of this section:

22.18 (1) "local governmental unit" means a county, city, town, special district, public
22.19 higher education institution, or other political subdivision or public corporation;

22.20 (2) "governing body" means the council, board of commissioners, board of trustees,
22.21 board of regents, or other body charged with governing a local governmental unit;

22.22 (3) "public infrastructure" means publicly owned physical infrastructure in this state,
22.23 including, but not limited to, wastewater collection and treatment systems, drinking water
22.24 systems, storm sewers, utility extensions, telecommunications infrastructure, streets,
22.25 roads, bridges, parking ramps, facilities that support basic science and clinical research,
22.26 and research infrastructure; and

22.27 (4) "eligible project" means a bioscience business development capital improvement
22.28 project in this state, including: manufacturing; technology; warehousing and distribution;
22.29 research and development; bioscience business incubator; agricultural bioprocessing; or
22.30 industrial, office, or research park development that would be used by a bioscience-based
22.31 business.

22.32 Sec. 2. Minnesota Statutes 2008, section 116J.435, subdivision 3, is amended to read:

Subd. 3. **Grant program established.** (a) The commissioner shall make competitive grants to local governmental units to acquire and prepare land on which public infrastructure required to support an eligible project will be located, including demolition of structures and remediation of any hazardous conditions on the land, or to predesign, design, acquire, construct, furnish, and equip public infrastructure required to support an eligible project. The local governmental unit receiving a grant must provide for the remainder of the public infrastructure costs from other sources.

(b) The amount of a grant may not exceed the lesser of the cost of the public infrastructure or 50 percent of the sum of the cost of the public infrastructure plus the cost of the completed eligible project.

(c) The purpose of the program is to keep or enhance jobs in the area, increase the tax base, or to expand or create new economic development through the growth of new bioscience businesses and organizations.

Sec. 3. Minnesota Statutes 2008, section 116J.8731, subdivision 2, is amended to read:

Subd. 2. **Administration.** The commissioner shall administer the fund as part of the Small Cities Development Block Grant Program. Funds shall be made available to local communities and recognized Indian tribal governments in accordance with the rules adopted for economic development grants in the small cities community development block grant program, except that all units of general purpose local government are eligible applicants for Minnesota investment funds. The commissioner may also make funds available within the department for eligible expenditures under section 116J.8731, subdivision 3, clause (2). A home rule charter or statutory city, county, or town may loan or grant money received from repayment of funds awarded under this section to a regional development commission, other regional entity, or statewide community capital fund as determined by the commissioner, to capitalize or to provide the local match required for capitalization of a regional or statewide revolving loan fund.

Sec. 4. Minnesota Statutes 2008, section 116J.8731, subdivision 3, is amended to read:

Subd. 3. **Eligible expenditures.** The money appropriated for this section may be used to ~~provide~~ fund:

(1) grants for infrastructure, loans, loan guarantees, interest buy-downs, and other forms of participation with private sources of financing, provided that a loan to a private enterprise must be for a principal amount not to exceed one-half of the cost of the project for which financing is sought; and

24.1 (2) strategic investments in renewable energy market development, such as low
24.2 interest loans for renewable energy equipment manufacturing, training grants to support
24.3 renewable energy workforce, development of a renewable energy supply chain that
24.4 represents and strengthens the industry throughout the state, and external marketing to
24.5 garner more national and international investment into Minnesota's renewable sector.
24.6 Expenditures in external marketing for renewable energy market development are not
24.7 subject to the limitations in clause (1).

24.8 Sec. 5. Minnesota Statutes 2008, section 248.07, subdivision 7, is amended to read:

24.9 Subd. 7. **Blind, vending stands and machines on governmental property;**
24.10 **liability limited.** (a) Notwithstanding any other law, for the rehabilitation of blind persons
24.11 the commissioner shall have exclusive authority to establish and to operate vending
24.12 stands and vending machines in all buildings and properties owned or rented exclusively
24.13 by the Minnesota State Colleges and Universities at a state university, a community
24.14 college, a consolidated community technical college, or a technical college served by
24.15 the commissioner before January 1, 1996, or by any department or agency of the state
24.16 of Minnesota except the Department of Natural Resources properties operated directly
24.17 by the Division of State Parks and not subject to private leasing. ~~The merchandise to be~~
24.18 ~~dispensed by such~~ Vending stands and machines authorized under this subdivision may
24.19 ~~include~~ dispense nonalcoholic beverages, food, candies, tobacco, souvenirs, notions and
24.20 related items. ~~Such vending stands and vending machines herein authorized shall and~~
24.21 must be operated on the same basis as other vending stands for the blind established and
24.22 supervised by the commissioner under federal law. The commissioner shall waive this
24.23 authority to displace any present private individual concessionaire in any state-owned or
24.24 rented building or property who is operating under a contract with a specific renewal or
24.25 termination date, until the renewal or termination date. With the consent of the governing
24.26 body of a governmental subdivision of the state, the commissioner may establish and
24.27 supervise vending stands and vending machines for the blind in any building or property
24.28 exclusively owned or rented by the governmental subdivision.

24.29 (b) The Department of Employment and Economic Development is not liable
24.30 under chapter 176 for any injury sustained by a blind vendor's employee or agent. The
24.31 Department of Employment and Economic Development, its officers, and its agents are
24.32 not liable for the acts or omissions of a blind vendor or of a blind vendor's employee or
24.33 agent that may result in the blind vendor's liability to third parties. The Department of
24.34 Employment and Economic Development, its officers, and its agents are not liable for

25.1 negligence based on any theory of liability for claims arising from the relationship created
25.2 under this subdivision with the blind vendor.

25.3 Sec. 6. Minnesota Statutes 2008, section 268A.06, subdivision 1, is amended to read:

25.4 Subdivision 1. **Application.** Any city, town, county, nonprofit corporation,
25.5 regional treatment center, or any combination thereof, may apply to the commissioner for
25.6 assistance in establishing or operating a community rehabilitation facility. Application for
25.7 assistance ~~shall~~ must be on forms prescribed by the commissioner. ~~Each applicant shall~~
25.8 ~~annually submit to the commissioner its plan and budget for the next fiscal year. No An~~
25.9 ~~applicant shall be~~ is not eligible for a grant hereunder under this section unless its plan
25.10 ~~and budget~~ audited financial statements of the prior fiscal year have been approved by
25.11 the commissioner.

25.12 ARTICLE 3

25.13 EMPLOYMENT AND ECONOMIC DEVELOPMENT TECHNICAL CHANGES

25.14 Section 1. Minnesota Statutes 2008, section 15.75, subdivision 5, is amended to read:

25.15 Subd. 5. **Agreements with Department of Employment and Economic**
25.16 **Development.** The commissioner of employment and economic development may
25.17 enter into agreements with regional entities established under subdivision 4 to prepare
25.18 plans to ensure coordination of the department's business development, community
25.19 development, workforce development, and trade functions with programs of local units of
25.20 government and other public and private development agencies in the regions. The plans
25.21 will identify regional development priorities and serve as a guide for the implementation
25.22 of the department's programs in the regions.

25.23 Sec. 2. Minnesota Statutes 2008, section 16B.54, subdivision 2, is amended to read:

25.24 Subd. 2. **Vehicles.** (a) The commissioner may direct an agency to make a transfer of
25.25 a passenger motor vehicle or truck currently assigned to it. The transfer must be made to
25.26 the commissioner for use in the central motor pool. The commissioner shall reimburse an
25.27 agency whose motor vehicles have been paid for with funds dedicated by the Constitution
25.28 for a special purpose and which are assigned to the central motor pool. The amount of
25.29 reimbursement for a motor vehicle is its average wholesale price as determined from the
25.30 midwest edition of the National Automobile Dealers Association official used car guide.

25.31 (b) To the extent that funds are available for the purpose, the commissioner may
25.32 purchase or otherwise acquire additional passenger motor vehicles and trucks necessary

for the central motor pool. The title to all motor vehicles assigned to or purchased or acquired for the central motor pool is in the name of the Department of Administration.

(c) On the request of an agency, the commissioner may transfer to the central motor pool any passenger motor vehicle or truck for the purpose of disposing of it. The department or agency transferring the vehicle or truck must be paid for it from the motor pool revolving account established by this section in an amount equal to two-thirds of the average wholesale price of the vehicle or truck as determined from the midwest edition of the National Automobile Dealers Association official used car guide.

(d) The commissioner shall provide for the uniform marking of all motor vehicles. Motor vehicle colors must be selected from the regular color chart provided by the manufacturer each year. The commissioner may further provide for the use of motor vehicles without marking by:

(1) the governor;

(2) the lieutenant governor;

(3) the Division of Criminal Apprehension, the Division of Alcohol and Gambling Enforcement, and arson investigators of the Division of Fire Marshal in the Department of Public Safety;

(4) the Financial Institutions Division and investigative staff of the Department of Commerce;

(5) the Division of Disease Prevention and Control of the Department of Health;

(6) the State Lottery;

(7) criminal investigators of the Department of Revenue;

(8) state-owned community service facilities in the Department of Human Services;

~~(9) the investigative staff of the Department of Employment and Economic Development;~~

~~(10)~~ (9) the Office of the Attorney General; and

~~(11)~~ (10) the investigative staff of the Gambling Control Board.

Sec. 3. Minnesota Statutes 2008, section 84.94, subdivision 3, is amended to read:

Subd. 3. **Identification and classification.** The Department of Natural Resources, with the cooperation of the state Geological Survey, ~~Departments~~ the Department of Transportation, and ~~Energy, Planning and Development~~ the Department of Employment and Economic Development, outside of the metropolitan area as defined in section 473.121, shall conduct a program of identification and classification of potentially valuable publicly or privately owned aggregate lands located outside of urban or developed areas where aggregate mining is restricted, without consideration of their present land use. The

program shall give priority to identification and classification in areas of the state where urbanization or other factors are or may be resulting in a loss of aggregate resources to development. Lands shall be classified as:

- (1) identified resources, being those containing significant aggregate deposits;
- (2) potential resources, being those containing potentially significant deposits and meriting further evaluation; or
- (3) subeconomic resources, being those containing no significant deposits.

As lands are classified, the information on the classification shall be transmitted to each of the departments and agencies named in this subdivision, to the planning authority of the appropriate county and municipality, and to the appropriate county engineer. The county planning authority shall notify owners of land classified under this subdivision by publication in a newspaper of general circulation in the county or by mail.

Sec. 4. Minnesota Statutes 2008, section 116J.035, subdivision 6, is amended to read:

Subd. 6. **Receipt of gifts, money; appropriation.** (a) The commissioner may accept gifts, bequests, grants, payments for services, and other public and private money to help finance the activities of the department.

(1) apply for, accept, and disburse gifts, bequests, grants, payments for services, loans, or other property from the United States, the state, private foundations, or any other source;

(2) enter into an agreement required for the gifts, grants, or loans; and

(3) hold, use, and dispose of its assets according to the terms of the gift, grant, loan, or agreement.

(b) Money received by the commissioner under this subdivision must be deposited in a separate account in the state treasury and invested by the State Board of Investment.

The amount deposited, including investment earnings, is appropriated to the commissioner to carry out duties under this section.

Sec. 5. Minnesota Statutes 2008, section 116J.401, subdivision 2, is amended to read:

Subd. 2. **Duties; authorizations; limitations.** (a) The commissioner of employment and economic development shall:

- (1) provide regional development commissions, the Metropolitan Council, and units of local government with information, technical assistance, training, and advice on using federal and state programs;

- 28.1 (2) receive and administer the Small Cities Community Development Block Grant
28.2 Program authorized by Congress under the Housing and Community Development Act of
28.3 1974, as amended;
- 28.4 (3) receive and administer the section 107 technical assistance program grants
28.5 authorized by Congress under the Housing and Community Development Act of 1974, as
28.6 amended;
- 28.7 (4) receive, administer, and supervise other state and federal grants and grant
28.8 programs for planning, community affairs, community development purposes,
28.9 employment and training services, and other state and federal programs assigned to the
28.10 department by law or by the governor in accordance with section 4.07;
- 28.11 (5) receive applications for state and federal grants and grant programs for planning,
28.12 community affairs, and community development purposes, and other state and federal
28.13 programs assigned to the department by law or by the governor in accordance with section
28.14 4.07;
- 28.15 (6) act as the agent of, and cooperate with, the federal government in matters of
28.16 mutual concern, including the administration of any federal funds granted to the state to
28.17 aid in the performance of functions of the commissioner;
- 28.18 (7) provide consistent, integrated employment and training services across the state;
- 28.19 (8) administer the Wagner-Peyser Act, the Workforce Investment Act, and other
28.20 federal employment and training programs;
- 28.21 (9) establish the standards for all employment and training services administered
28.22 under this chapter and chapters 116L, 248, 268, and 268A;
- 28.23 (10) administer the aspects of the Minnesota family investment program, general
28.24 assistance, and food stamps that relate to employment and training services, subject to the
28.25 contract under section 116L.86, subdivision 1;
- 28.26 (11) obtain reports from local service units and service providers for the purpose of
28.27 evaluating the performance of employment and training services;
- 28.28 (12) as requested, certify employment and training services, and decertify services
28.29 that fail to comply with performance criteria according to standards established by the
28.30 commissioner;
- 28.31 (13) develop standards for the contents and structure of the local service unit plans
28.32 and plans for Indian tribe employment and training services, review and comment on those
28.33 plans, and approve or disapprove the plans;
- 28.34 (14) supervise the county boards of commissioners, local service units, and any other
28.35 units of government designated in federal or state law as responsible for employment and
28.36 training programs;

29.1 (15) establish administrative standards and payment conditions for providers of
29.2 employment and training services;

29.3 (16) enter into agreements with Indian tribes as necessary to provide employment
29.4 and training services as appropriate funds become available;

29.5 (17) cooperate with the federal government and its employment and training
29.6 agencies in any reasonable manner as necessary to qualify for federal aid for employment
29.7 and training services and money;

29.8 (18) administer and supervise all forms of unemployment insurance provided for
29.9 under federal and state laws;

29.10 (19) provide current state and substate labor market information and forecasts, in
29.11 cooperation with other agencies;

29.12 (20) require all general employment and training programs that receive state funds
29.13 to make available information about opportunities for women in nontraditional careers
29.14 in the trades and technical occupations;

29.15 (21) consult with the Rehabilitation Council for the Blind on matters pertaining to
29.16 programs and services for the blind and visually impaired;

29.17 (22) enter into agreements with other departments of the state and local units of
29.18 government as necessary; ~~and~~

29.19 (23) establish and maintain administrative units necessary to perform administrative
29.20 functions common to all divisions of the department;

29.21 (24) investigate, study, and undertake ways and means of promoting and encouraging
29.22 the prosperous development and protection of the legitimate interest and welfare of
29.23 Minnesota business, industry, and commerce, within and outside the state;

29.24 (25) locate markets for manufacturers and processors and aid merchants in locating
29.25 and contacting markets;

29.26 (26) as necessary or useful for the proper execution of the powers and duties of the
29.27 commissioner in promoting and developing Minnesota business, industry, and commerce,
29.28 both within and outside the state, investigate and study conditions affecting Minnesota
29.29 business, industry, and commerce; collect and disseminate information; and engage in
29.30 technical studies, scientific investigations, statistical research, and educational activities;

29.31 (27) plan and develop an effective business information service both for the direct
29.32 assistance of business and industry of the state and for the encouragement of business and
29.33 industry outside the state to use economic facilities within the state;

29.34 (28) compile, collect, and develop periodically, or otherwise make available,
29.35 information relating to current business conditions;

30.1 (29) conduct or encourage research designed to further new and more extensive uses
30.2 of the natural and other resources of the state and designed to develop new products
30.3 and industrial processes;

30.4 (30) study trends and developments in the industries of the state and analyze the
30.5 reasons underlying the trends;

30.6 (31) study costs and other factors affecting successful operation of businesses within
30.7 the state;

30.8 (32) make recommendations regarding circumstances promoting or hampering
30.9 business and industrial development;

30.10 (33) serve as a clearing house for business and industrial problems of the state;

30.11 (34) advise small business enterprises regarding improved methods of accounting
30.12 and bookkeeping;

30.13 (35) cooperate with interstate commissions engaged in formulating and promoting
30.14 the adoption of interstate compacts and agreements helpful to business, industry, and
30.15 commerce;

30.16 (36) cooperate with other state departments and with boards, commissions, and
30.17 other state agencies in the preparation and coordination of plans and policies for the
30.18 development of the state and for the use and conservation of its resources insofar as the
30.19 use, conservation, and development may be appropriately directed or influenced by a
30.20 state agency;

30.21 (37) in connection with state, county, and municipal public works projects, assemble
30.22 and coordinate information relative to the status, scope, cost, and employment possibilities
30.23 and availability of materials, equipment, and labor, and recommend limitations on the
30.24 public works;

30.25 (38) gather current progress information with reference to public and private
30.26 works projects of the state and its political subdivisions with reference to conditions of
30.27 employment;

30.28 (39) inquire into and report to the governor, when requested by the governor, with
30.29 respect to any program of public state improvements and its financing; and request
30.30 and obtain information from other state departments or agencies as may be needed for
30.31 the report;

30.32 (40) study changes in population and current trends and prepare plans and suggest
30.33 policies for the development and conservation of the resources of the state;

30.34 (41) confer and cooperate with the executive, legislative, or planning authorities of
30.35 the United States, neighboring states and provinces, and the counties and municipalities
30.36 of neighboring states, for the purpose of bringing about a coordination between the

31.1 development of neighboring provinces, states, counties, and municipalities and the
31.2 development of this state;

31.3 (42) generally gather, compile, and make available statistical information relating to
31.4 business, trade, commerce, industry, transportation, communication, natural resources,
31.5 and other like subjects in this state, with authority to call upon other state departments for
31.6 statistical data and results obtained by them and to arrange and compile that statistical
31.7 information in a reasonable manner;

31.8 (43) publish documents and annually convene regional meetings to inform
31.9 businesses, local government units, assistance providers, and other interested persons of
31.10 changes in state and federal law related to economic development;

31.11 (44) annually convene conferences of providers of economic development-related
31.12 financial and technical assistance for the purposes of exchanging information on economic
31.13 development assistance, coordinating economic development activities, and formulating
31.14 economic development strategies;

31.15 (45) provide business with information on the economic benefits of energy
31.16 conservation and on the availability of energy conservation assistance;

31.17 (46) as part of the biennial budget process, prepare performance measures for each
31.18 business loan or grant program within the jurisdiction of the commissioner. Measures
31.19 include source of funds for each program, number of jobs proposed or promised at the
31.20 time of application and the number of jobs created, estimated number of jobs retained, the
31.21 average salary and benefits for the jobs resulting from the program, and the number of
31.22 projects approved;

31.23 (47) provide a continuous program of education for business people;

31.24 (48) publish, disseminate, and distribute information and statistics;

31.25 (49) promote and encourage the expansion and development of markets for
31.26 Minnesota products;

31.27 (50) promote and encourage the location and development of new businesses in the
31.28 state as well as the maintenance and expansion of existing businesses and for that purpose
31.29 cooperate with state and local agencies and individuals, both within and outside the state;

31.30 (51) advertise and disseminate information as to natural resources, desirable
31.31 locations, and other advantages for the purpose of attracting businesses to locate in this
31.32 state;

31.33 (52) aid the various communities in this state in attracting business to their
31.34 communities;

31.35 (53) advise and cooperate with municipal, county, regional, and other planning
31.36 agencies and planning groups within the state for the purpose of promoting coordination

between the state and localities as to plans and development in order to maintain a high level of gainful employment in private profitable production and achieve commensurate advancement in social and cultural welfare;

(54) coordinate the activities of statewide and local planning agencies, correlate information secured from them and from state departments and disseminate information and suggestions to the planning agencies;

(55) encourage and assist in the organization and functioning of local planning agencies where none exist; and

(56) adopt measures calculated to promote public interest in and understanding of the problems of planning and, to that end, may publish and distribute copies of any plan or any report and may employ other means of publicity and education that will give full effect to the provisions of sections 116J.58 to 116J.63.

(b) At the request of any governmental subdivision in paragraph (a), clause (53), the commissioner may provide planning assistance, which includes but is not limited to surveys, land use studies, urban renewal plans, technical services and other planning work to any city or other municipality in the state or perform similar planning work in any county, metropolitan, or regional area in the state. The commissioner must not perform the planning work with respect to a metropolitan or regional area which is under the jurisdiction for planning purposes of a county, metropolitan, regional, or joint planning body, except at the request or with the consent of the respective county, metropolitan, regional, or joint planning body.

(c) The commissioner is authorized to:

(1) receive and expend money from municipal, county, regional, and other planning agencies;

(2) accept and disburse grants and other aids for planning purposes from the federal government and from other public or private sources;

(3) utilize money received under clause (2) for the employment of consultants and other temporary personnel to assist in the supervision or performance of planning work supported by money other than state-appropriated money;

(4) enter into contracts with agencies of the federal government, units of local government or combinations thereof, and with private persons that are necessary in the performance of the planning assistance function of the commissioner; and

(5) assist any local government unit in filling out application forms for the federal grants-in-aid.

(d) In furtherance of its planning functions, any city or town, however organized, may expend money and contract with agencies of the federal government, appropriate

33.1 departments of state government, other local units of government, and with private
33.2 persons.

33.3 Sec. 6. Minnesota Statutes 2008, section 116J.68, subdivision 2, is amended to read:

33.4 Subd. 2. **Duties.** The bureau shall:

33.5 ~~(a)~~ (1) provide information and assistance with respect to all aspects of business
33.6 planning and business management related to the start-up, operation, or expansion of
33.7 a small business in Minnesota;

33.8 ~~(b)~~ (2) refer persons interested in the start-up, operation, or expansion of a small
33.9 business in Minnesota to assistance programs sponsored by federal agencies, state
33.10 agencies, educational institutions, chambers of commerce, civic organizations, community
33.11 development groups, private industry associations, and other organizations ~~or to the~~
33.12 ~~business assistance referral system established by the Minnesota Project Outreach~~
33.13 ~~Corporation;~~

33.14 ~~(c)~~ (3) plan, develop, and implement a master file of information on small business
33.15 assistance programs of federal, state, and local governments, and other public and private
33.16 organizations so as to provide comprehensive, timely information to the bureau's clients;

33.17 ~~(d)~~ (4) employ staff with adequate and appropriate skills and education and training
33.18 for the delivery of information and assistance;

33.19 ~~(e)~~ (5) seek out and utilize, to the extent practicable, contributed expertise and
33.20 services of federal, state, and local governments, educational institutions, and other public
33.21 and private organizations;

33.22 ~~(f)~~ (6) maintain a close and continued relationship with the director of the
33.23 procurement program within the Department of Administration so as to facilitate the
33.24 department's duties and responsibilities under sections 16C.16 to 16C.19 relating to the
33.25 small targeted group business and economically disadvantaged business program of the
33.26 state;

33.27 ~~(g)~~ (7) develop an information system which will enable the commissioner and other
33.28 state agencies to efficiently store, retrieve, analyze, and exchange data regarding small
33.29 business development and growth in the state. All executive branch agencies of state
33.30 government and the secretary of state shall to the extent practicable, assist the bureau in
33.31 the development and implementation of the information system;

33.32 ~~(h)~~ (8) establish and maintain a toll free telephone number so that all small business
33.33 persons anywhere in the state can call the bureau office for assistance. An outreach
33.34 program shall be established to make the existence of the bureau well known to its
33.35 potential clientele throughout the state. If the small business person requires a referral to

another provider the bureau may use the business assistance referral system established by the Minnesota Project Outreach Corporation;

~~(9)~~ (9) conduct research and provide data as required by the state legislature;

~~(10)~~ (10) develop and publish material on all aspects of the start-up, operation, or expansion of a small business in Minnesota;

~~(11)~~ (11) collect and disseminate information on state procurement opportunities, including information on the procurement process;

~~(12)~~ (12) develop a public awareness program through the use of newsletters, personal contacts, and electronic and print news media advertising about state assistance programs for small businesses, including those programs specifically for socially disadvantaged small business persons;

~~(13)~~ (13) enter into agreements with the federal government and other public and private entities to serve as the statewide coordinator or host agency for the federal small business development center program under United States Code, title 15, section 648; and

~~(14)~~ (14) assist providers in the evaluation of their programs and the assessment of their service area needs. The bureau may establish model evaluation techniques and performance standards for providers to use.

Sec. 7. Minnesota Statutes 2008, section 116L.03, subdivision 5, is amended to read:

Subd. 5. **Terms.** The terms of appointed members shall be for four years ~~except for the initial appointments. The initial appointments of the governor shall have the following terms: two members each for one, two, three, and four years.~~ No member shall serve more than two terms, and no person shall be appointed after December 31, 2001, for any term that would cause that person to serve a total of more than eight years on the board. Compensation for board members is as provided in section 15.0575, subdivision 3.

Sec. 8. Minnesota Statutes 2008, section 116L.05, subdivision 5, is amended to read:

Subd. 5. **Use of workforce development funds.** After March 1 of any fiscal year, the board may use workforce development funds for the purposes outlined in sections 116L.02, 116L.04₂ and 116L.10 to 116L.14, or to provide incumbent worker training services under section 116L.18 if the following conditions have been met:

(1) the board examines relevant economic indicators, including the projected number of layoffs for the remainder of the fiscal year and the next fiscal year, evidence of declining and expanding industries, the number of initial applications for and the number of exhaustions of unemployment benefits, job vacancy data, and any additional relevant information brought to the board's attention;

- 35.1 (2) the board accounts for all allocations made in section 116L.17, subdivision 2;
- 35.2 (3) based on the past expenditures and projected revenue, the board estimates future
- 35.3 funding needs for services under section 116L.17 for the remainder of the current fiscal
- 35.4 year and the next fiscal year;
- 35.5 (4) the board determines there will be unspent funds after meeting the needs of
- 35.6 dislocated workers in the current fiscal year and there will be sufficient revenue to meet
- 35.7 the needs of dislocated workers in the next fiscal year; and
- 35.8 (5) the board reports its findings in clauses (1) to (4) to the chairs of legislative
- 35.9 committees with jurisdiction over the workforce development fund, to the commissioners
- 35.10 of revenue and finance, and to the public.

35.11 Sec. 9. Minnesota Statutes 2008, section 116L.871, subdivision 1, is amended to read:

35.12 Subdivision 1. **Responsibility and certification.** (a) Unless prohibited by federal

35.13 law or otherwise determined by state law, a local service unit is responsible for the

35.14 delivery of employment and training services. ~~As of July 1, 1998,~~ Employment and

35.15 training services may be delivered by certified employment and training service providers.

35.16 (b) The local service unit's employment and training service provider must meet the

35.17 certification standards in this subdivision if the county requests that they be certified

35.18 to deliver any of the following employment and training services and programs: wage

35.19 subsidies; general assistance grant diversion; food stamp employment and training

35.20 programs; community work experience programs; and MFIP employment services.

35.21 (c) The commissioner shall certify a local service unit's service provider to provide

35.22 these employment and training services and programs if the commissioner determines

35.23 that the provider has:

35.24 (1) past experience in direct delivery of the programs specified in paragraph (b);

35.25 (2) staff capabilities and qualifications, including adequate staff to provide timely

35.26 and effective services to clients, and proven staff experience in providing specific services

35.27 such as assessments, career planning, job development, job placement, support services,

35.28 and knowledge of community services and educational resources;

35.29 (3) demonstrated effectiveness in providing services to public assistance recipients

35.30 and other economically disadvantaged clients; and

35.31 (4) demonstrated administrative capabilities, including adequate fiscal and

35.32 accounting procedures, financial management systems, participant data systems, and

35.33 record retention procedures.

35.34 (d) When the only service provider that meets the criterion in paragraph (c), clause

35.35 (1), has been decertified, according to subdivision 1a, in that local service unit, the

following criteria shall be substituted: past experience in direct delivery of multiple, coordinated, nonduplicative services, including outreach, assessments, identification of client barriers, employability development plans, and provision or referral to support services.

Sec. 10. Minnesota Statutes 2008, section 116L.96, is amended to read:

116L.96 DISPLACED HOMEMAKER PROGRAMS.

The commissioner of ~~economic security~~ employment and economic development may enter into arrangements with existing private or nonprofit organizations and agencies with experience in dealing with displaced homemakers to provide counseling and training services. The commissioner shall assist displaced homemakers in applying for appropriate welfare programs and shall take welfare allowances received into account in setting the stipend level. Income received as a stipend under these programs shall be totally disregarded for purposes of determining eligibility for and the amount of a general assistance grant.

Sec. 11. Minnesota Statutes 2008, section 123A.08, subdivision 1, is amended to read:

Subdivision 1. **Outside sources for resources and services.** A center may accept:

- (1) resources and services from postsecondary institutions serving center pupils;
- (2) resources from ~~Job Training Partnership Act~~ Workforce Investment Act of 1998, Public Law 105-220 programs, including funding for jobs skills training for various groups and the percentage reserved for education;
- (3) resources from the Department of Human Services and county welfare funding;
- (4) resources from a local education and employment transitions partnership; or
- (5) private resources, foundation grants, gifts, corporate contributions, and other grants.

Sec. 12. Minnesota Statutes 2008, section 124D.49, subdivision 3, is amended to read:

Subd. 3. **Local education and employment transitions systems.** A local education and employment transitions partnership must assess the needs of employers, employees, and learners, and develop a plan for implementing and achieving the objectives of a local or regional education and employment transitions system. The plan must provide for a comprehensive local system for assisting learners and workers in making the transition from school to work or for retraining in a new vocational area. The objectives of a local education and employment transitions system include:

(1) increasing the effectiveness of the educational programs and curriculum of elementary, secondary, and postsecondary schools and the work site in preparing students in the skills and knowledge needed to be successful in the workplace;

(2) implementing learner outcomes for students in grades kindergarten through 12 designed to introduce the world of work and to explore career opportunities, including nontraditional career opportunities;

(3) eliminating barriers to providing effective integrated applied learning, service-learning, or work-based curriculum;

(4) increasing opportunities to apply academic knowledge and skills, including skills needed in the workplace, in local settings which include the school, school-based enterprises, postsecondary institutions, the workplace, and the community;

(5) increasing applied instruction in the attitudes and skills essential for success in the workplace, including cooperative working, leadership, problem-solving, and respect for diversity;

(6) providing staff training for vocational guidance counselors, teachers, and other appropriate staff in the importance of preparing learners for the transition to work, and in methods of providing instruction that incorporate applied learning, work-based learning, and service-learning experiences;

(7) identifying and enlisting local and regional employers who can effectively provide work-based or service-learning opportunities, including, but not limited to, apprenticeships, internships, and mentorships;

(8) recruiting community and workplace mentors including peers, parents, employers and employed individuals from the community, and employers of high school students;

(9) identifying current and emerging educational, training, and employment needs of the area or region, especially within industries with potential for job growth;

(10) improving the coordination and effectiveness of local vocational and job training programs, including vocational education, adult basic education, tech prep, apprenticeship, service-learning, youth entrepreneur, youth training and employment programs administered by the commissioner of employment and economic development, and local job training programs under the ~~Job Training Partnership Act, United States Code, title 29, section 1501, et seq.~~ Workforce Investment Act of 1998, Public Law 105-220;

(11) identifying and applying for federal, state, local, and private sources of funding for vocational or applied learning programs;

(12) providing students with current information and counseling about career opportunities, potential employment, educational opportunities in postsecondary

institutions, workplaces, and the community, and the skills and knowledge necessary to succeed;

(13) providing educational technology, including interactive television networks and other distance learning methods, to ensure access to a broad variety of work-based learning opportunities;

(14) including students with disabilities in a district's vocational or applied learning program and ways to serve at-risk learners through collaboration with area learning centers under sections 123A.05 to 123A.09, or other alternative programs; and

(15) providing a warranty to employers, postsecondary education programs, and other postsecondary training programs, that learners successfully completing a high school work-based or applied learning program will be able to apply the knowledge and work skills included in the program outcomes or graduation requirements. The warranty shall require education and training programs to continue to work with those learners that need additional skill development until they can demonstrate achievement of the program outcomes or graduation requirements.

Sec. 13. Minnesota Statutes 2008, section 160.276, subdivision 8, is amended to read:

Subd. 8. **Revenue.** The agreement may provide that the vendor pay a portion of the gross revenues derived from advertising. These revenues must be paid to the state for deposit in the safety rest area account established in section 160.2745. The commissioner of transportation and director of ~~the Office of~~ Explore Minnesota Tourism may enter into an interagency agreement to define the distribution of the revenues generated in this subdivision and subdivisions 2a and 3a.

Sec. 14. Minnesota Statutes 2008, section 241.27, subdivision 1, is amended to read:

Subdivision 1. **Establishment of Minnesota correctional industries; MINNCOR industries.** For the purpose of providing adequate, regular and suitable employment, educational training, and to aid the inmates of state correctional facilities, the commissioner of corrections may establish, equip, maintain and operate at any correctional facility under the commissioner's control such industrial and commercial activities as may be deemed necessary and suitable to the profitable employment, educational training and development of proper work habits of the inmates of state correctional facilities. The industrial and commercial activities authorized by this section are designated MINNCOR industries and shall be for the primary purpose of sustaining and ensuring MINNCOR industries' self-sufficiency, providing educational training, meaningful employment and the teaching of proper work habits to the inmates of correctional facilities under

the control of the commissioner of corrections, and not solely as competitive business ventures. The net profits from these activities shall be used for the benefit of the inmates as it relates to education, self-sufficiency skills, and transition services and not to fund non-inmate-related activities or mandates. Prior to the establishment of any industrial and commercial activity, the commissioner of corrections may consult with representatives of business, industry, organized labor, the state Department of Education, the state Apprenticeship Council, the state Department of Labor and Industry, the Department of Employment ~~Security~~ and Economic Development, the Department of Administration, and such other persons and bodies as the commissioner may feel are qualified to determine the quantity and nature of the goods, wares, merchandise and services to be made or provided, and the types of processes to be used in their manufacture, processing, repair, and production consistent with the greatest opportunity for the reform and educational training of the inmates, and with the best interests of the state, business, industry and labor.

The commissioner of corrections shall, at all times in the conduct of any industrial or commercial activity authorized by this section, utilize inmate labor to the greatest extent feasible, provided, however, that the commissioner may employ all administrative, supervisory and other skilled workers necessary to the proper instruction of the inmates and the profitable and efficient operation of the industrial and commercial activities authorized by this section.

Additionally, the commissioner of corrections may authorize the director of any correctional facility under the commissioner's control to accept work projects from outside sources for processing, fabrication or repair, provided that preference shall be given to the performance of such work projects for state departments and agencies.

Sec. 15. Minnesota Statutes 2008, section 248.061, subdivision 3, is amended to read:

Subd. 3. **Eligible individual.** "Eligible individual" means an individual who is eligible for library loan services through the Library of Congress and the ~~State Library for the Blind and Physically Handicapped~~ Minnesota Braille and Talking Book Library under Code of Federal Regulations, title 36, section 701.10, subsection (b).

Sec. 16. Minnesota Statutes 2008, section 248.07, subdivision 8, is amended to read:

Subd. 8. **Use of revolving fund, licenses for operation of vending machines stands.** (a) The revolving fund created by Laws 1947, chapter 535, section 5, is continued as provided in this subdivision and shall be known as the revolving fund for vocational rehabilitation of the blind. It shall be used for the purchase of equipment and supplies for establishing and operating of vending stands by blind persons. All income, receipts,

earnings, and federal ~~grants~~ vending machine income due to the operation ~~thereof~~ of vending stands operated under this subdivision shall also be paid into the fund. All interest earned on money accrued in the fund must be credited to the fund by the commissioner of finance. All equipment, supplies, and expenses for setting up these stands shall be paid for from the fund.

(b) ~~Authority is hereby given to~~ The commissioner is authorized to use the money available in the revolving fund that originated as operational charges to individuals licensed under this subdivision for the establishment, operation, and supervision of vending stands by blind persons for the following purposes:

(1) purchase, upkeep and replacement of equipment;

(2) expenses incidental to the setting up of new stands and improvement of old stands;

(3) reimbursement under section 15.059 to individual blind vending operators for reasonable expenses incurred in attending supervisory meetings as called by the commissioner and other expenditures for management services consistent with federal law; and

(4) purchase of fringe benefits for blind vending operators and their employees such as group health insurance, retirement program, vacation or sick leave assistance provided that the purchase of any fringe benefit is approved by a majority vote of blind vending operators licensed pursuant to this subdivision after the commissioner provides to each blind vending operator information on all matters relevant to the fringe benefits. "Majority vote" means a majority of blind vending operators voting. Fringe benefits shall be paid only from assessments of operators for specific benefits, gifts to the fund for fringe benefit purposes, and vending income which is not assignable to an individual stand.

(c) Money originally deposited as merchandise and supplies repayments by individuals licensed under this subdivision may be expended for initial and replacement stocks of supplies and merchandise. Money originally deposited from vending income on federal property must be spent consistent with federal law.

(d) All other deposits may be used for the purchase of general liability insurance or any other expense related to the operation and supervision of vending stands.

(e) The commissioner shall issue each license for the operation of a vending stand or vending machine for an indefinite period but may terminate any license in the manner provided. In granting licenses for new or vacated stands preference on the basis of seniority of experience in operating stands under the control of the commissioner shall be given to capable operators who are deemed competent to handle the enterprise under

consideration. Application of this preference shall not prohibit the commissioner from selecting an operator from the community in which the stand is located.

Sec. 17. Minnesota Statutes 2008, section 256J.626, subdivision 4, is amended to read:

Subd. 4. County and tribal biennial service agreements. (a) Effective January 1, 2004, and each two-year period thereafter, each county and tribe must have in place an approved biennial service agreement related to the services and programs in this chapter. In counties with a city of the first class with a population over 300,000, the county must consider a service agreement that includes a jointly developed plan for the delivery of employment services with the city. Counties may collaborate to develop multicounty, multitribal, or regional service agreements.

(b) The service agreements will be completed in a form prescribed by the commissioner. The agreement must include:

(1) a statement of the needs of the service population and strengths and resources in the community;

(2) numerical goals for participant outcomes measures to be accomplished during the biennial period. The commissioner may identify outcomes from section 256J.751, subdivision 2, as core outcomes for all counties and tribes;

(3) strategies the county or tribe will pursue to achieve the outcome targets. Strategies must include specification of how funds under this section will be used and may include community partnerships that will be established or strengthened;

(4) strategies the county or tribe will pursue under family stabilization services; and

(5) other items prescribed by the commissioner in consultation with counties and tribes.

(c) The commissioner shall provide each county and tribe with information needed to complete an agreement, including: (1) information on MFIP cases in the county or tribe; (2) comparisons with the rest of the state; (3) baseline performance on outcome measures; and (4) promising program practices.

(d) The service agreement must be submitted to the commissioner by October 15, 2003, and October 15 of each second year thereafter. The county or tribe must allow a period of not less than 30 days prior to the submission of the agreement to solicit comments from the public on the contents of the agreement.

(e) The commissioner must, within 60 days of receiving each county or tribal service agreement, inform the county or tribe if the service agreement is approved. If the service agreement is not approved, the commissioner must inform the county or tribe of any revisions needed prior to approval.

~~(f) The service agreement in this subdivision supersedes the plan requirements of section 116L.88.~~

Sec. 18. Minnesota Statutes 2008, section 256J.66, subdivision 1, is amended to read:

Subdivision 1. **Establishing the on-the-job training program.** (a) County agencies may develop on-the-job training programs for MFIP caregivers who are participating in employment and training services. A county agency that chooses to provide on-the-job training may make payments to employers for on-the-job training costs that, during the period of the training, must not exceed 50 percent of the wages paid by the employer to the participant. The payments are deemed to be in compensation for the extraordinary costs associated with training participants under this section and in compensation for the costs associated with the lower productivity of the participants during training.

(b) Provision of an on-the-job training program under the ~~Job Training Partnership Act~~ Workforce Investment Act of 1998, Public Law 105-220, in and of itself, does not qualify as an on-the-job training program under this section.

(c) Employers must compensate participants in on-the-job training ~~shall be compensated by the employer~~ at the same rates, including periodic increases, as similarly situated employees or trainees and in accordance with applicable law, but in no event less than the federal or applicable state minimum wage, whichever is higher.

Sec. 19. Minnesota Statutes 2008, section 469.169, subdivision 3, is amended to read:

Subd. 3. **Evaluation of applications.** (a) The commissioner shall review and evaluate the applications submitted pursuant to subdivision 2 and shall determine whether each area is eligible for designation as an enterprise zone. In determining whether an area is eligible under section 469.168, subdivision 4, paragraph (a), if unemployment, employment, income, or other necessary data are not available for the area from the federal departments of labor or commerce or the state demographer, the commissioner may rely upon other data submitted by the municipality if the commissioner determines it is statistically reliable or accurate. The commissioner, together with the commissioner of revenue, shall prepare an estimate of the amount of state tax revenue which will be foregone for each application if the area is designated as a zone.

(b) By October 1 of each year, the commissioner shall submit to the Legislative Advisory Commission a list of the areas eligible for designation as enterprise zones, along with recommendations for designation and supporting documentation. In making recommendations for designation, the commissioner shall consider and evaluate the applications pursuant to the following criteria:

(1) the pervasiveness of poverty, unemployment, and general distress in the area;
(2) the extent of chronic abandonment, deterioration, or reduction in value of commercial, industrial, or residential structures in the area and the extent of property tax arrearages in the area;

(3) the prospects for new investment and economic development in the area with the tax reductions proposed in the application relative to the state and local tax revenue which would be foregone;

(4) the competing needs of other areas of the state;

(5) the municipality's proposed use of other state and federal development funds or programs to increase the probability of new investment and development occurring;

(6) the extent to which the projected development in the zone will provide employment to residents of the economic hardship area, and particularly individuals who are unemployed or who are economically disadvantaged as defined in the federal ~~Job Training Partnership Act of 1982, Volume 96, Statutes at Large, page 1322~~ Workforce Investment Act of 1998, Public Law 105-220;

(7) the funds available pursuant to subdivision 7; and

(8) other relevant factors that the commissioner specifies in the commissioner's recommendations.

(c) The commissioner shall submit a separate list of the areas entitled to designation as federally designated zones and border city zones along with recommendations for the amount of funds to be allocated to each area.

Sec. 20. **REVISOR'S INSTRUCTION.**

The revisor of statutes shall renumber Minnesota Statutes, section 116J.58, subdivision 2, as Minnesota Statutes, section 116J.035, subdivision 1a, and shall revise statutory cross-references consistent with that renumbering.

Sec. 21. **REPEALER.**

Minnesota Statutes 2008, sections 116J.402; 116J.413; 116J.58, subdivision 1; 116J.59; 116J.61; 116J.656; 116L.16; 116L.88; and 116U.65, are repealed.

ARTICLE 4

UNEMPLOYMENT INSURANCE POLICY

Section 1. Minnesota Statutes 2008, section 268.052, subdivision 2, is amended to read:

Subd. 2. **Election by state or political subdivision to be a taxing employer.**

(a) The state or political subdivision may elect to be a taxing employer for any

calendar year if a notice of election is filed within 30 calendar days following January 1 of that calendar year. Upon election, the state or political subdivision must be assigned the new employer tax rate under section 268.051, subdivision 5, for the calendar year of the election and unless or until it qualifies for an experience rating under section 268.051, subdivision 3.

(b) An election is for a minimum period of two calendar years following the effective date of the election and continue unless a notice terminating the election is filed not later than 30 calendar days before the beginning of the calendar year. The termination is effective at the beginning of the next calendar year. ~~Upon election, the commissioner shall establish a reimbursable account for the state or political subdivision. A termination of election is allowed only if the state or political subdivision has, since the beginning of the experience rating period under section 268.051, subdivision 3, paid taxes equal to or more than 125 percent of the unemployment benefits used in computing the experience rating. In addition, any unemployment benefits paid after the experience rating period are transferred to the new reimbursable account of the state or political subdivision. If the amount of taxes paid since the beginning of the experience rating period exceeds 125 percent of the amount of unemployment benefits paid during the experience rating period, that amount in excess is applied against any unemployment benefits paid after the experience rating period.~~

(c) The method of payments to the trust fund under subdivisions 3 and 4 applies to all taxes paid by or due from the state or political subdivision that elects to be taxpaying employers under this subdivision.

(d) A notice of election or a notice terminating election must be filed by electronic transmission in a format prescribed by the commissioner.

Sec. 2. Minnesota Statutes 2008, section 268.053, subdivision 1, is amended to read:

Subdivision 1. **Election.** (a) Any nonprofit organization that has employees in covered employment must pay taxes on a quarterly basis in accordance with section 268.051 unless it elects to make reimbursements to the trust fund the amount of unemployment benefits charged to its reimbursable account under section 268.047.

The organization may elect to make reimbursements for a period of not less than two calendar years beginning with the date that the organization was determined to be an employer with covered employment by filing a notice of election not later than 30 calendar days after the date of the determination.

(b) Any nonprofit organization that makes an election will continue to be liable for reimbursements until it files a notice terminating its election not later than 30 calendar days before the beginning of the calendar year the termination is to be effective.

(c) A nonprofit organization that has been making reimbursements that files a notice of termination of election must be assigned the new employer tax rate under section 268.051, subdivision 5, for the calendar year of the termination of election and unless or until it qualifies for an experience rating under section 268.051, subdivision 3.

(d) Any nonprofit organization that has been paying taxes may elect to make reimbursements by filing no less than 30 calendar days before January 1 of any calendar year a notice of election. ~~Upon election, the commissioner shall establish a reimbursable account for the nonprofit organization. An election is allowed only if the nonprofit organization has, since the beginning of the experience rating period under section 268.051, subdivision 3, paid taxes equal to or more than 125 percent of the unemployment benefits used in computing the experience rating. In addition, any unemployment benefits paid after the experience rating period are transferred to the new reimbursable account of the nonprofit organization. If the amount of taxes paid since the beginning of the experience rating period exceeds 125 percent of the amount of unemployment benefits paid during the experience rating period, that amount in excess is applied against any unemployment benefits paid after the experience rating period.~~ The election is not terminable by the organization for that and the next calendar year.

(e) The commissioner may for good cause extend the period that a notice of election, or a notice of termination, must be filed and may permit an election to be retroactive.

(f) A notice of election or notice terminating election must be filed by electronic transmission in a format prescribed by the commissioner.

Sec. 3. Minnesota Statutes 2008, section 268.066, is amended to read:

268.066 CANCELLATION OF AMOUNTS DUE FROM AN EMPLOYER.

(a) The commissioner ~~shall~~ must cancel as uncollectible any amounts due from an employer under this chapter or section 116L.20, that remain unpaid six years after the amounts have been first determined due, except where the delinquent amounts are secured by a notice of lien, a judgment, are in the process of garnishment, or are under a payment plan.

(b) The commissioner may cancel at any time as uncollectible any amount due, or any portion of an amount due, from an employer under this chapter or section 116L.20, that (1) are uncollectible due to death or bankruptcy, or (2) the Collection Division of the Department of Revenue under section 16D.04 was unable to collect, ~~or (3).~~

(c) The commissioner may cancel at any time any interest, penalties, or fees due from an employer, or any portions due, if the commissioner determines that it is not in

the public interest to pursue collection of the amount due. This paragraph does not apply to unemployment insurance taxes or reimbursements due.

Sec. 4. Minnesota Statutes 2008, section 268.067, is amended to read:

268.067 COMPROMISE.

(a) The commissioner may compromise in whole or in part any action, determination, or decision that affects only an employer and not an applicant, ~~and that has occurred during the prior 24 months.~~ This paragraph ~~may apply~~ applies if it is determined by a court of law, or a confession of judgment, that an applicant, while employed, wrongfully took from the employer \$500 or more in money or property.

(b) The commissioner may at any time compromise any ~~amount~~ unemployment insurance tax or reimbursement due from an employer under this chapter or section 116L.20.

~~(c) Any compromise involving an amount over \$2,500 must be authorized by an attorney licensed to practice law in Minnesota who is an employee of the department designated by the commissioner for that purpose.~~

~~(d)~~ Any compromise must be in the best interest of the state of Minnesota.

Sec. 5. Minnesota Statutes 2008, section 268.07, subdivision 3b, is amended to read:

Subd. 3b. **Limitations on applications and benefit accounts.** (a) An application for unemployment benefits is effective the Sunday of the calendar week that the application was filed. ~~Upon specific request of an applicant,~~ An application for unemployment benefits may be backdated one calendar week before the Sunday of the week the application was actually filed if the applicant requests the backdating at the time the application is filed. An application may be backdated only if the applicant ~~was unemployed throughout~~ had no employment during the period of the backdating. If an individual attempted to file an application for unemployment benefits, but was prevented from filing an application by the department, the application is effective the Sunday of the calendar week the individual first attempted to file an application.

(b) A benefit account established under subdivision 2 is effective the date the application for unemployment benefits was effective.

(c) A benefit account, once established, may later be withdrawn only if:

(1) the applicant has not been paid any unemployment benefits on that benefit account; and

(2) a new application for unemployment benefits is filed and a new benefit account is established at the time of the withdrawal; and

~~(2) the applicant has not served the nonpayable waiting week under section 268.085, subdivision 1, clause (5).~~

A determination or amended determination of eligibility or ineligibility issued under section 268.101, that was ~~issued~~ sent before the withdrawal of the benefit account, remains in effect and is not voided by the withdrawal of the benefit account. A determination of ineligibility requiring subsequent earnings to satisfy the period of ineligibility under section 268.095, subdivision 10, applies to the weekly unemployment benefit amount on the new benefit account.

(d) An application for unemployment benefits is not allowed before the Sunday following the expiration of the benefit year on a prior benefit account. Except as allowed under paragraph ~~(b)~~ (c), an applicant may establish only one benefit account each 52 calendar weeks.

Sec. 6. Minnesota Statutes 2008, section 268.085, subdivision 3, is amended to read:

Subd. 3. **Payments that delay unemployment benefits.** (a) An applicant is not eligible to receive unemployment benefits for any week with respect to which the applicant is receiving, has received, or has filed for payment, equal to or in excess of the applicant's weekly unemployment benefit amount, in the form of:

(1) vacation pay paid upon temporary, indefinite, or seasonal separation. This clause does not apply to (i) vacation pay paid upon a permanent separation from employment, or (ii) vacation pay paid from a vacation fund administered by a union or a third party not under the control of the employer;

(2) severance pay, bonus pay, sick pay, and any other payments, except earnings under subdivision 5, and back pay under subdivision 6, paid by an employer because of, upon, or after separation from employment, but only if the payment is considered wages at the time of payment under section 268.035, subdivision 29; or

(3) pension, retirement, or annuity payments from any plan contributed to by a base period employer including the United States government, except Social Security benefits that are provided for in subdivision 4. The base period employer is considered to have contributed to the plan if the contribution is excluded from the definition of wages under section 268.035, subdivision 29, clause (1).

If the pension, retirement, or annuity payment is paid in a lump sum, an applicant is not considered to have received the lump-sum payment if (i) the applicant immediately deposits that payment in a qualified pension plan or account, or (ii) that payment is an early distribution for which the applicant paid an early distribution penalty under the Internal Revenue Code, United States Code, title 26, section 72(t)(1).

(b) This subdivision applies to all the weeks of payment. Payments under paragraph (a), ~~clauses (1) and (2)~~ clause (1), are applied to the period immediately following the last day of employment. The number of weeks of payment is determined as follows:

(1) if the payments are made periodically, the total of the payments to be received is divided by the applicant's last level of regular weekly pay from the employer; or

(2) if the payment is made in a lump sum, that sum is divided by the applicant's last level of regular weekly pay from the employer.

(c) If the payment is less than the applicant's weekly unemployment benefit amount, unemployment benefits are reduced by the amount of the payment. ~~If the computation of reduced unemployment benefits is not a whole dollar, it is rounded down to the next lower whole dollar.~~

Sec. 7. Minnesota Statutes 2008, section 268.085, subdivision 6, is amended to read:

Subd. 6. **Receipt of back pay.** (a) Back pay received by an applicant within 24 months of the establishment of the benefit account with respect to any week occurring ~~in the 104 weeks before the payment of the back pay~~ during the benefit year must be deducted from unemployment benefits paid for that week.

If the back pay is not paid with respect to a specific period, the back pay must be applied to the period immediately following the last day of employment.

(b) If the back pay is reduced by the amount of unemployment benefits that have been paid, the amount of back pay withheld must be:

(1) paid by the employer to the trust fund within 30 calendar days and subject to the same collection procedures that apply to past due taxes;

(2) applied to unemployment benefit overpayments resulting from the payment of the back pay; and

(3) credited to the maximum amount of unemployment benefits available to the applicant in a benefit year that includes the weeks for which back pay was deducted.

(c) Unemployment benefits paid the applicant must be removed from the computation of the tax rate for taxpaying employers and removed from the reimbursable account for nonprofit and government employers that have elected to be liable for reimbursements in the calendar quarter the trust fund receives payment.

(d) Payments to the trust fund under this subdivision are considered as made by the applicant.

Sec. 8. Minnesota Statutes 2008, section 268.085, subdivision 15, is amended to read:

Subd. 15. **Available for suitable employment defined.** (a) "Available for suitable employment" means an applicant is ready and willing to accept suitable employment ~~in the labor market area~~. The attachment to the work force must be genuine. An applicant may restrict availability to suitable employment, but there must be no other restrictions, either self-imposed or created by circumstances, temporary or permanent, that prevent accepting suitable employment.

(b) To be considered "available for suitable employment," a student must be willing to quit school to accept suitable employment.

(c) An applicant who is absent from the labor market area for personal reasons, other than to search for work, is not "available for suitable employment."

(d) An applicant who has restrictions on the hours of the day or days of the week that the applicant can or will work, that are not normal for the applicant's usual occupation or other suitable employment, is not "available for suitable employment." An applicant must be available for daytime employment, if suitable employment is performed during the daytime, even though the applicant previously worked the night shift.

~~(e) An applicant must have transportation throughout the labor market area to be considered "available for suitable employment."~~

Sec. 9. Minnesota Statutes 2008, section 268.095, subdivision 1, is amended to read:

Subdivision 1. **Quit.** An applicant who quit employment is ineligible for all unemployment benefits according to subdivision 10 except when a preponderance of the evidence shows:

(1) the applicant quit the employment because of a good reason caused by the employer as defined in subdivision 3;

(2) the applicant quit the employment to accept other covered employment that provided substantially better terms and conditions of employment, but the applicant did not work long enough at the second employment to have sufficient subsequent earnings to satisfy the period of ineligibility that would otherwise be imposed under subdivision 10 for quitting the first employment;

(3) the applicant quit the employment within 30 calendar days of beginning the employment because the employment was unsuitable for the applicant;

(4) the employment was unsuitable for the applicant and the applicant quit to enter reemployment assistance training;

(5) the employment was part time and the applicant also had full-time employment in the base period, from which full-time employment the applicant separated because of reasons for which the applicant was held not to be ineligible, and the wage credits from

the full-time employment are sufficient to meet the minimum requirements to establish a benefit account under section 268.07;

(6) the applicant quit because the employer notified the applicant that the applicant was going to be laid off because of lack of work within 30 calendar days. An applicant who quit employment within 30 calendar days of a notified date of layoff because of lack of work is ineligible for unemployment benefits through the end of the week that includes the scheduled date of layoff;

(7) the applicant quit the employment because the applicant's serious illness or injury made it medically necessary that the applicant quit, provided that the applicant inform the employer of the serious illness or injury and request accommodation and no reasonable accommodation is made available.

If the applicant's serious illness is chemical dependency, this exception does not apply if the applicant was previously diagnosed as chemically dependent or had treatment for chemical dependency, and since that diagnosis or treatment has failed to make consistent efforts to control the chemical dependency.

This exception raises an issue of the applicant's being ~~able to work~~ available for suitable employment under section 268.085, subdivision 1, that the commissioner ~~shall~~ must determine;

(8) the applicant's loss of child care for the applicant's minor child caused the applicant to quit the employment, provided the applicant made reasonable effort to obtain other child care and requested time off or other accommodation from the employer and no reasonable accommodation is available.

This exception raises an issue of the applicant's ~~availability~~ being available for suitable employment under section 268.085, subdivision 1, that the commissioner ~~shall~~ must determine; or

(9) domestic abuse of the applicant or the applicant's minor child, necessitated the applicant's quitting the employment. Domestic abuse must be shown by one or more of the following:

(i) a district court order for protection or other documentation of equitable relief issued by a court;

(ii) a police record documenting the domestic abuse;

(iii) documentation that the perpetrator of the domestic abuse has been convicted of the offense of domestic abuse;

(iv) medical documentation of domestic abuse; or

(v) written statement that the applicant or the applicant's minor child is a victim of domestic abuse, provided by a social worker, member of the clergy, shelter worker,

51.1 attorney at law, or other professional who has assisted the applicant in dealing with the
51.2 domestic abuse.

51.3 Domestic abuse for purposes of this clause is defined under section 518B.01.

51.4 Sec. 10. Minnesota Statutes 2008, section 268.095, subdivision 2, is amended to read:

51.5 Subd. 2. **Quit defined.** (a) A quit from employment occurs when the decision to end
51.6 the employment was, at the time the employment ended, the employee's.

51.7 (b) An employee who has been notified that the employee will be discharged in the
51.8 future, who chooses to end the employment while employment in any capacity is still
51.9 available, is considered to have quit the employment.

51.10 (c) An employee who seeks to withdraw a previously submitted notice of quitting is
51.11 considered to have quit the employment if the employer does not agree that the notice
51.12 may be withdrawn.

51.13 (d) An applicant who, within five calendar days after completion of a suitable
51.14 temporary job assignment from a staffing service employer, (1) fails without good cause
51.15 to affirmatively request an additional job assignment, ~~or~~ (2) refuses without good cause
51.16 an additional suitable job assignment offered, or (3) accepts employment with the client
51.17 of the staffing service, is considered to have quit employment with the staffing service.
51.18 Accepting employment with the client of the staffing service meets the requirements of the
51.19 exception to ineligibility under subdivision 1, clause (2).

51.20 This paragraph applies only if, at the time of beginning of employment with the
51.21 staffing service employer, the applicant signed and was provided a copy of a separate
51.22 document written in clear and concise language that informed the applicant of this
51.23 paragraph and that unemployment benefits may be affected.

51.24 For purposes of this paragraph, "good cause" is a reason that is significant and
51.25 would compel an average, reasonable worker, who would otherwise want an additional
51.26 temporary job assignment with the staffing service employer, (1) to fail to contact the
51.27 staffing service employer, or (2) to refuse an offered assignment.

51.28 For purposes of this paragraph, a "staffing service employer" is an employer whose
51.29 business involves employing individuals directly for the purpose of furnishing temporary
51.30 job assignment workers to clients of the staffing service.

51.31 Sec. 11. Minnesota Statutes 2008, section 268.103, is amended by adding a subdivision
51.32 to read:

51.33 Subd. 2a. **Employer-agent appeals filed online.** (a) If an agent files an appeal on
51.34 behalf of an employer, the appeal must be filed online. The appeal must be filed through

the electronic address provided on the determination being appealed. Use of another method of filing does not constitute an appeal. This paragraph does not apply to an employee filing an appeal on behalf of an employer.

(b) All information requested when the appeal is filed must be supplied or the communication does not constitute an appeal.

Sec. 12. Minnesota Statutes 2008, section 268.18, subdivision 4a, is amended to read:

Subd. 4a. **Court fees; collection fees.** (a) If the commissioner is required to pay any court fees in an attempt to enforce collection of overpaid unemployment benefits, penalties, or interest, the commissioner may add the amount of the court fees to the total amount due.

(b) If an applicant who has been determined overpaid unemployment benefits because of fraud seeks to have any portion of the debt discharged under the federal bankruptcy code, and the commissioner files an objection in bankruptcy court to the discharge, the commissioner may add the commissioner's cost of any court fees to the debt if the bankruptcy court does not discharge the debt.

(c) If the Internal Revenue Service assesses the commissioner a fee for offsetting from a federal tax refund the amount of any fraud overpayment, including penalties and interest, the amount of the fee may be added to the total amount due. The offset amount must be put in the trust fund and that amount credited to the total amount due from the applicant.

Sec. 13. Minnesota Statutes 2008, section 268.186, is amended to read:

268.186 RECORDS; AUDITS.

(a) Each employer must keep true and accurate records for the periods of time and containing the information the commissioner may require by rule. For the purpose of administering this chapter, the commissioner has the power to audit, examine, or cause to be supplied or copied, any books, correspondence, papers, records, or memoranda that are relevant, whether the books, correspondence, papers, records, or memoranda are the property of or in the possession of the employer or any other person at any reasonable time and as often as may be necessary.

(b) Any employer that refuses to allow an audit of its records by the department, or that fails to make all necessary records available for audit in Minnesota upon request of the commissioner, may be assessed an administrative penalty of \$500. An employer that fails to provide a weekly breakdown of money earned by an applicant upon request of the commissioner, information necessary for the detection of applicant fraud under section 268.18, subdivision 2, may be assessed an administrative penalty of \$100. Any notice

requesting a weekly breakdown must clearly state that a \$100 penalty may be assessed for failure to provide the information. The penalty collected is credited to the ~~administration account to be used by the commissioner to ensure integrity in the administration of the unemployment insurance program~~ trust fund.

(c) The commissioner may make summaries, compilations, photographs, duplications, or reproductions of any records, or reports that the commissioner considers advisable for the preservation of the information contained therein. Any summaries, compilations, photographs, duplications, or reproductions is admissible in any proceeding under this chapter. The commissioner may duplicate records, reports, summaries, compilations, instructions, determinations, or any other written or recorded matter pertaining to the administration of this chapter.

(d) Regardless of any law to the contrary, the commissioner may provide for the destruction of any records, reports, or reproductions, or other papers that are no longer necessary for the administration of this chapter, including any required audit. In addition, the commissioner may provide for the destruction or disposition of any record, report, or other paper from which the information has been electronically captured and stored, or that has been photographed, duplicated, or reproduced.

Sec. 14. **ENTREPRENEURSHIP FOR DISLOCATED WORKERS.**

Subdivision 1. **Authorization.** Minnesota has been awarded a federal grant by the United States Department of Labor under the Project GATE (Growing America Through Entrepreneurship) program to assist certain dislocated workers in starting a business. Providing unemployment benefits while the dislocated worker is receiving services such as entrepreneurial training, business counseling, and technical assistance will assist in the success of this pilot project. In order to provide unemployment benefits, the commissioner of employment and economic development is authorized to waive the availability for suitable employment requirements of Minnesota Statutes, section 268.085, subdivision 1, as well as the earnings deductibility provisions of Minnesota Statutes, section 268.085, subdivision 5, for individuals enrolled in this pilot project.

Subd. 2. **Limitations.** A maximum of 500 applicants for unemployment benefits are authorized to receive a waiver.

Subd. 3. **Expiration date.** The authorization under subdivision 1 expires June 30, 2012.

Sec. 15. **EFFECTIVE DATE.**

Sections 1 to 5, 7 to 11, 13, and 14 are effective August 2, 2009, and apply to all department determinations and unemployment law judge decisions issued on or after that date. Section 12 is effective April 1, 2010, and applies to all department determinations and unemployment law judge decisions issued on or after that date. Sections 6 and 15 are effective the day following final enactment and section 6 is retroactive to December 1, 2008.

ARTICLE 5
UNEMPLOYMENT INSURANCE TECHNICAL CHANGES

Section 1. Minnesota Statutes 2008, section 268.031, is amended to read:

268.031 STANDARD OF PROOF.

All issues of fact under the Minnesota Unemployment Insurance Law are determined by a preponderance of the evidence. ~~Preponderance of the evidence means evidence in substantiation of a fact that, when weighed against the evidence opposing the fact, is more convincing and has a greater probability of truth.~~

Sec. 2. [268.034] COMPUTATIONS OF MONEY ROUNDED DOWN.

Computations of money required under this chapter that do not result in a whole dollar are rounded down to the next lower whole dollar, unless specifically provided otherwise by law.

Sec. 3. Minnesota Statutes 2008, section 268.035, subdivision 2, is amended to read:

Subd. 2. **Agricultural employment.** "Agricultural employment" means services:

(1) on a farm, in the employ of any person or family farm corporation in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, fur-bearing animals, and wildlife;

(2) in the employ of the owner or tenant or other operator of a farm, in connection with the operation, management, conservation, improvement, or maintenance of the farm and its tools and equipment, or in salvaging timber or clearing land of brush and other debris left by a tornado-like storm, if the major part of the employment is performed on a farm;

(3) in connection with the production or harvesting of any commodity defined as an agricultural product in United States Code, title 7, section 1626 of the Agricultural Marketing Act, or in connection with cotton ginning, or in connection with the operation

or maintenance of ditches, canals, reservoirs, or waterways, not owned or operated for profit, used exclusively for supplying and storing water for farming purposes;

(4) in the employ of the operator of a farm in handling, planting, drying, packing, packaging, processing, freezing, grading, storing, or delivering to storage or to market or to a carrier for transportation to market, in its unmanufactured state, any agricultural or horticultural commodity; but only if the operator produced more than one-half of the commodity with respect to which the employment is performed, or in the employ of a group of operators of farms or a cooperative organization of which the operators are members, but only if the operators produced more than one-half of the commodity with respect to which the employment is performed; however, this clause ~~shall~~ is not ~~be~~ applicable to employment performed in connection with commercial canning or commercial freezing or in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption; or

(5) on a farm operated for profit if the employment is not in the course of the employer's trade or business.

For purposes of this subdivision, the term "farm" includes stock, dairy, poultry, fruit, fur-bearing animals, and truck farms, plantations, ranches, nurseries, orchards, ranges, greenhouses, or other similar structures used primarily for the raising of agricultural or horticultural commodities.

Sec. 4. Minnesota Statutes 2008, section 268.035, is amended by adding a subdivision to read:

Subd. 9a. **Construction; independent contractor.** For purposes of this chapter, section 181.723 determines whether a worker is an independent contractor or an employee when performing public or private sector commercial or residential building construction or improvement services.

Sec. 5. Minnesota Statutes 2008, section 268.035, is amended by adding a subdivision to read:

Subd. 12c. **Determination.** "Determination" means a document sent to an applicant or employer by mail or electronic transmission that is an initial department ruling on a specific issue. All documents that are determinations under this chapter use that term in the title of the document and are appealable to an unemployment law judge under section 268.105, subdivision 1.

Sec. 6. Minnesota Statutes 2008, section 268.035, subdivision 17, is amended to read:

Subd. 17. **Filing; filed.** "Filing" or "filed" means the personal delivery of any document an application, appeal, or other required action to the commissioner or any of the commissioner's agents, or ~~the depositing of the document~~ if done by mail, deposited in the United States mail properly addressed to the department with postage prepaid, in which case ~~the document~~ it is considered filed on the day indicated by the cancellation mark of the United States Postal Service.

~~If, where allowed,~~ an application, appeal, or other required action is made by electronic transmission, it is considered filed on the day received by the department.

Sec. 7. Minnesota Statutes 2008, section 268.035, is amended by adding a subdivision to read:

Subd. 20a. **Preponderance of the evidence.** "Preponderance of the evidence" means evidence in substantiation of a fact that, when weighed against the evidence opposing the fact, is more convincing and has a greater probability of truth.

Sec. 8. Minnesota Statutes 2008, section 268.042, subdivision 3, is amended to read:

Subd. 3. **Election to have noncovered employment considered covered employment.** (a) Any employer that has employment performed for it that is noncovered employment under section 268.035, subdivision 20, may file with the commissioner, by electronic transmission in a format prescribed by the commissioner, an election that all employees in that class of employment, in one or more distinct establishments or places of business, is considered covered employment for not less than two calendar years. The commissioner has discretion on the approval of any election. Upon the approval of the commissioner, sent by mail or electronic transmission, the employment constitutes covered employment beginning the calendar quarter after the date of approval or beginning a later calendar quarter if requested by the employer. The employment ceases to be considered covered employment as of the first day of January of any calendar year only if at least 30 calendar days before the first day of January the employer has filed with the commissioner, by electronic transmission in a format prescribed by the commissioner, a notice to that effect.

(b) The commissioner must terminate any election agreement under this subdivision upon 30 calendar days' notice sent by mail or electronic transmission, if the employer is delinquent on any taxes due or reimbursements due the trust fund.

Sec. 9. Minnesota Statutes 2008, section 268.043, is amended to read:

268.043 DETERMINATIONS OF COVERAGE.

(a) The commissioner, upon the commissioner's own motion or upon application of a person, ~~shall~~ must determine if that person is an employer or whether services performed for it constitute employment and covered employment, or whether ~~the~~ any compensation ~~for services~~ constitutes wages, and notify the person of the determination. The determination is final unless the person, files an appeal within 20 calendar days after ~~sending of the determination~~ the commissioner sends the determination by mail or electronic transmission, ~~files an appeal~~. Proceedings on the appeal are conducted in accordance with section 268.105.

(b) No person may be initially determined an employer, or that services performed for it were in employment or covered employment, for periods more than four years before the year in which the determination is made, unless the commissioner finds that there was fraudulent action to avoid liability under this chapter.

Sec. 10. Minnesota Statutes 2008, section 268.044, subdivision 2, is amended to read:

Subd. 2. **Failure to timely file report; late fees.** (a) Any employer that fails to submit the quarterly wage detail report when due must pay a late fee of \$10 per employee, computed based upon the highest of:

- (1) the number of employees reported on the last wage detail report submitted;
- (2) the number of employees reported in the corresponding quarter of the prior calendar year; or
- (3) if no wage detail report has ever been submitted, the number of employees listed at the time of employer registration.

The late fee is ~~waived~~ canceled if the wage detail report is received within 30 calendar days after a demand for the report is sent to the employer by mail or electronic transmission. A late fee assessed an employer may not be ~~waived~~ canceled more than twice each 12 months. The amount of the late fee assessed may not be less than \$250.

(b) If the wage detail report is not received in a manner and format prescribed by the commissioner within 30 calendar days after demand is sent under paragraph (a), the late fee assessed under paragraph (a) doubles and a renewed demand notice and notice of the increased late fee will be sent to the employer by mail or electronic transmission.

(c) Late fees due under this subdivision may be ~~compromised~~ canceled, in whole or in part, under section ~~268.067~~ 268.066 where good cause for late submission is found by the commissioner.

Sec. 11. Minnesota Statutes 2008, section 268.047, subdivision 1, is amended to read:

Subdivision 1. **General rule.** Unemployment benefits paid to an applicant, including extended and shared work benefits, will be used in computing the future tax rate of a taxpaying base period employer or charged to the reimbursable account of a base period nonprofit or government employer that has elected to be liable for reimbursements except as provided in subdivisions 2 and 3. The amount of unemployment benefits used in computing the future tax rate of taxpaying employers or charged to the reimbursable account of a nonprofit or government employer that has elected to be liable for reimbursements is the same percentage of the total amount of unemployment benefits paid as the percentage of wage credits from the employer is of the total amount of wage credits from all the applicant's base period employers.

~~In making computations under this subdivision, the amount of wage credits, if not a whole dollar, must be computed to the nearest whole dollar.~~

Sec. 12. Minnesota Statutes 2008, section 268.047, subdivision 2, is amended to read:

Subd. 2. **Exceptions for all employers.** Unemployment benefits paid will not be used in computing the future tax rate of a taxpaying base period employer or charged to the reimbursable account of a base period nonprofit or government employer that has elected to be liable for reimbursements when:

(1) the applicant was discharged from the employment because of aggravated employment misconduct as determined under section 268.095. This exception applies only to unemployment benefits paid for periods after the applicant's discharge from employment;

(2) an applicant's discharge from that employment occurred because a law required removal of the applicant from the position the applicant held;

~~(3) the employer is in the tourist or recreation industry and is in active operation of business less than 15 calendar weeks each year and the applicant's wage credits from the employer are less than 600 times the applicable state or federal minimum wage;~~

~~(4)~~ (3) the employer provided regularly scheduled part-time employment to the applicant during the applicant's base period and continues to provide the applicant with regularly scheduled part-time employment during the benefit year of at least 90 percent of the part-time employment provided in the base period, and is an involved employer because of the applicant's loss of other employment. This exception terminates effective the first week that the employer fails to meet the benefit year employment requirements. This exception applies to educational institutions without consideration of the period between academic years or terms;

59.1 ~~(5)~~ (4) the employer is a fire department or firefighting corporation or operator
59.2 of a life-support transportation service, and continues to provide employment for the
59.3 applicant as a volunteer firefighter or a volunteer ambulance service personnel during the
59.4 benefit year on the same basis that employment was provided in the base period. This
59.5 exception terminates effective the first week that the employer fails to meet the benefit
59.6 year employment requirements;

59.7 ~~(6)~~ (5) the applicant's unemployment from this employer was a direct result of
59.8 the condemnation of property by a governmental agency, a fire, flood, or act of nature,
59.9 where 25 percent or more of the employees employed at the affected location, including
59.10 the applicant, became unemployed as a result. This exception does not apply where the
59.11 unemployment was a direct result of the intentional act of the employer or a person acting
59.12 on behalf of the employer;

59.13 ~~(7)~~ (6) the unemployment benefits were paid by another state as a result of the
59.14 transferring of wage credits under a combined wage arrangement provided for in section
59.15 268.131;

59.16 ~~(8)~~ (7) the applicant stopped working because of a labor dispute at the applicant's
59.17 primary place of employment if the employer was not a party to the labor dispute;

59.18 ~~(9)~~ (8) the unemployment benefits were determined overpaid unemployment benefits
59.19 under section 268.18;

59.20 ~~(10)~~ (9) the applicant was employed as a replacement worker, for a period of six
59.21 months or longer, for an employee who is in the military reserve and was called for active
59.22 duty during the time the applicant worked as a replacement, and the applicant was laid off
59.23 because the employee returned to employment after active duty; or

59.24 ~~(11)~~ (10) the trust fund was reimbursed for the unemployment benefits by the
59.25 federal government.

59.26 Sec. 13. Minnesota Statutes 2008, section 268.051, subdivision 1, is amended to read:

59.27 Subdivision 1. **Payments.** (a) Unemployment insurance taxes and any special
59.28 assessments, fees, or surcharges accrue and become payable by each employer for each
59.29 calendar year on the taxable wages that the employer paid to employees in covered
59.30 employment, except for:

59.31 (1) nonprofit organizations that elect to make reimbursements as provided in section
59.32 268.053; and

59.33 (2) the state of Minnesota and political subdivisions that make reimbursements,
59.34 unless they elect to pay taxes as provided in section 268.052.

Each employer must pay taxes quarterly, at the employer's assigned tax rate under subdivision 6, on the taxable wages paid to each employee. The commissioner must compute the tax due from the wage detail report required under section 268.044 and notify the employer of the tax due. The taxes and any special assessments, fees, or surcharges must be paid to the trust fund and must be received by the department on or before the last day of the month following the end of the calendar quarter.

~~(b) The tax amount computed, if not a whole dollar, is rounded down to the next lower whole dollar.~~

~~(c)~~ If for any reason the wages on the wage detail report under section 268.044 are adjusted for any quarter, the commissioner must recompute the taxes due for that quarter and assess the employer for any amount due or credit the employer as appropriate.

Sec. 14. Minnesota Statutes 2008, section 268.051, subdivision 4, is amended to read:

Subd. 4. **Experience rating history transfer.** (a) When:

(1) a taxpaying employer acquires all of the organization, trade or business, or workforce of another taxpaying employer; and

(2) there is 25 percent or more common ownership or there is substantially common management or control between the predecessor and successor, the experience rating history of the predecessor employer is transferred to the successor employer.

(b) When:

(1) a taxpaying employer acquires a portion, but less than all, of the organization, trade or business, or workforce of another taxpaying employer; and

(2) there is 25 percent or more common ownership or there is substantially common management or control between the predecessor and successor, the successor employer acquires, as of the date of acquisition, the experience rating history attributable to the portion it acquired, and the predecessor employer retains the experience rating history attributable to the portion that it has retained. If the commissioner determines that sufficient information is not available to substantiate that a distinct severable portion was acquired and to assign the appropriate distinct severable portion of the experience rating history, the commissioner ~~shall~~ must assign the successor employer that percentage of the predecessor employer's experience rating history equal to that percentage of the employment positions it has obtained, and the predecessor employer retains that percentage of the experience rating history equal to the percentage of the employment positions it has retained.

(c) The term "common ownership" for purposes of this subdivision includes ownership by a spouse, parent, grandparent, child, grandchild, brother, sister, aunt, uncle, niece, nephew, or first cousin, by birth or by marriage.

(d) Each successor employer that is subject to paragraph (a) or (b) must notify the commissioner of the acquisition by electronic transmission, in a format prescribed by the commissioner, within 30 calendar days of the date of acquisition. Any successor employer that fails to notify the commissioner is subject to the penalties under section 268.184, subdivision 1a, if the successor's ~~experience rating~~ assigned tax rate under subdivision 2 or 5 was lower than the predecessor's ~~experience rating~~ assigned tax rate at the time of the acquisition. Payments made toward the penalties are credited to the administration account to be used to ensure integrity in the unemployment insurance program.

(e) If the successor employer under paragraphs (a) and (b) had an experience rating at the time of the acquisition, the transferred experience rating history of the predecessor is combined with the successor's experience rating history for purposes of recomputing a tax rate.

(f) If there has been a transfer of an experience rating history under paragraph (a) or (b), employment with a predecessor employer is not considered to have been terminated if similar employment is offered by the successor employer and accepted by the employee.

(g) The commissioner, upon notification of an employer, or upon the commissioner's own motion if the employer fails to provide the required notification, ~~shall~~ must determine if an employer is a successor within the meaning of this subdivision. The commissioner ~~shall~~ must, after determining the issue of succession or nonsuccession, recompute the tax rate under subdivision 6 of all employers affected. The commissioner ~~shall~~ must send the recomputed tax rate to all affected employers by mail or electronic transmission. Any affected employer may appeal the recomputed tax rate in accordance with the procedures in subdivision 6, paragraph (c).

(h) The "experience rating history" for purposes of this subdivision and subdivision 4a means the amount of unemployment benefits paid and the taxable wages that are being used and would be used in computing the current and any future experience rating.

For purposes of this chapter, an "acquisition" means anything that results in the obtaining by the successor employer, in any way or manner, of the organization, trade or business, or workforce of the predecessor employer.

A "distinct severable portion" in paragraph (b) means a location or unit separately identifiable within the employer's wage detail report under section 268.044.

(i) Regardless of the ownership, management, or control requirements of paragraph (a), if there is an acquisition or merger of a publicly held corporation by or with another

62.1 publicly held corporation the experience rating histories of the corporations are combined
62.2 as of the date of acquisition or merger for the purpose of recomputing a tax rate.

62.3 Sec. 15. Minnesota Statutes 2008, section 268.057, subdivision 4, is amended to read:

62.4 Subd. 4. **Costs.** (a) Any person that fails to pay any amount when due under this
62.5 chapter is liable for any filing fees, recording fees, sheriff fees, costs incurred by referral
62.6 to any public or private collection agency, or litigation costs, including attorney fees,
62.7 incurred in the collection of the amounts due.

62.8 (b) If any tendered payment of any amount due is not honored when presented to
62.9 a financial institution for payment, any costs assessed the department by the financial
62.10 institution and a fee of \$25 must be assessed to the person.

62.11 (c) Costs and fees collected under this subdivision are credited to the administration
62.12 account ~~to be used by the commissioner to ensure integrity in the administration of the~~
62.13 ~~unemployment insurance program.~~

62.14 Sec. 16. Minnesota Statutes 2008, section 268.057, subdivision 5, is amended to read:

62.15 Subd. 5. **Interest on amounts past due.** If any amounts due from an employer
62.16 under this chapter or section 116L.20, except late fees under section 268.044, are not
62.17 received on the date due the unpaid balance bears interest at the rate of one and one-half
62.18 percent per month or any part thereof. ~~Interest assessed, if not a whole dollar amount,~~
62.19 ~~is rounded down to the next lower whole dollar.~~ Interest collected is credited to the
62.20 contingent account. ~~Interest may be compromised under section 268.067.~~

62.21 Sec. 17. Minnesota Statutes 2008, section 268.0625, subdivision 1, is amended to read:

62.22 Subdivision 1. **Notice of debt to licensing authority.** The state of Minnesota or a
62.23 political subdivision may not issue, transfer, or renew, and must revoke a license for the
62.24 conduct of any profession, trade, or business, if the commissioner notifies the licensing
62.25 authority that the licensee, applicant, or employer owes any amount due under this chapter
62.26 or section 116L.20, of \$500 or more. A licensing authority that has received ~~such~~ a notice
62.27 may issue, transfer, renew, or not revoke the license only if the licensing authority has
62.28 received a copy of the debt clearance certificate issued by the commissioner.

62.29 Sec. 18. Minnesota Statutes 2008, section 268.069, subdivision 1, is amended to read:

62.30 Subdivision 1. **Requirements.** The commissioner ~~shall~~ must pay unemployment
62.31 benefits from the trust fund to an applicant who has met each of the following requirements:

(1) the applicant has filed an application for unemployment benefits and established a benefit account in accordance with section 268.07;

(2) the applicant has not been held ineligible for unemployment benefits under section 268.095 because of a quit or discharge;

(3) the applicant has met all of the ongoing eligibility requirements under ~~sections~~ section 268.085 and 268.086;

(4) the applicant does not have an outstanding overpayment of unemployment benefits, including any penalties or interest; and

(5) the applicant has not been held ineligible for unemployment benefits under section 268.182 because of a false representation or concealment of facts.

Sec. 19. Minnesota Statutes 2008, section 268.07, subdivision 1, is amended to read:

Subdivision 1. **Application for unemployment benefits; determination of benefit account.** (a) An application for unemployment benefits may be filed in person, by mail, or by electronic transmission as the commissioner may require. The applicant must be unemployed at the time the application is filed and must provide all requested information in the manner required. If the applicant is not unemployed at the time of the application or fails to provide all requested information, the communication is not considered an application for unemployment benefits.

(b) The commissioner ~~shall~~ must examine each application for unemployment benefits to determine the base period and the benefit year, and based upon all the covered employment in the base period the commissioner shall determine the weekly unemployment benefit amount available, if any, and the maximum amount of unemployment benefits available, if any. The determination ~~is known as the~~, which is a document separate and distinct from a document titled a determination of eligibility or determination of ineligibility issued under section 268.101, must be titled determination of benefit account. A determination of benefit account must be sent to the applicant and all base period employers, by mail or electronic transmission.

(c) If a base period employer did not provide wage information for the applicant as provided for in section 268.044, or provided erroneous information, the commissioner may accept an applicant certification as to wage credits, based upon the applicant's records, and issue a determination of benefit account.

(d) The commissioner may, at any time within 24 months from the establishment of a benefit account, reconsider any determination of benefit account and make an amended determination if the commissioner finds that the determination was incorrect for any reason. An amended determination of benefit account must be promptly sent

to the applicant and all base period employers, by mail or electronic transmission.
This subdivision does not apply to documents titled determinations of eligibility or determinations of ineligibility issued under section 268.101.

(e) If an amended determination of benefit account reduces the weekly unemployment benefit amount or maximum amount of unemployment benefits available, any unemployment benefits that have been paid greater than the applicant was entitled is considered an overpayment of unemployment benefits. A determination or amended determination issued under this section that results in an overpayment of unemployment benefits must set out the amount of the overpayment and the requirement under section 268.18, subdivision 1, that the overpaid unemployment benefits must be repaid.

Sec. 20. Minnesota Statutes 2008, section 268.07, subdivision 2, is amended to read:

Subd. 2. **Benefit account requirements and weekly unemployment benefit amount and maximum amount of unemployment benefits.** (a) To establish a benefit account, an applicant must have:

(1) high quarter wage credits of \$1,000 or more; and

(2) wage credits, in other than the high quarter, of \$250 or more.

(b) If an applicant has established a benefit account, the weekly unemployment benefit amount available during the benefit year is the higher of:

(1) 50 percent of the applicant's average weekly wage during the base period, to a maximum of 66-2/3 percent of the state's average weekly wage; or

(2) 50 percent of the applicant's average weekly wage during the high quarter, to a maximum of 43 percent of the state's average weekly wage.

The applicant's average weekly wage under clause (1) is computed by dividing the total wage credits by 52. The applicant's average weekly wage under clause (2) is computed by dividing the high quarter wage credits by 13.

~~(c) The state's maximum weekly unemployment benefit amount and an applicant's weekly unemployment benefit amount and maximum amount of unemployment benefits available is rounded down to the next lower whole dollar.~~ The state's maximum weekly benefit amount, computed in accordance with section 268.035, subdivision 23, applies to a benefit account established effective on or after the last Sunday in October. Once established, an applicant's weekly unemployment benefit amount is not affected by the last Sunday in October change in the state's maximum weekly unemployment benefit amount.

(d) The maximum amount of unemployment benefits available on any benefit account is the lower of:

(1) 33-1/3 percent of the applicant's total wage credits; or

65.1 (2) 26 times the applicant's weekly unemployment benefit amount.

65.2 Sec. 21. Minnesota Statutes 2008, section 268.07, subdivision 3, is amended to read:

65.3 Subd. 3. **Second benefit account requirements.** To establish a second benefit
65.4 account following the expiration of a benefit year on a prior benefit account, an
65.5 applicant must ~~have sufficient wage credits to establish a benefit account under~~ meet the
65.6 requirements of subdivision 2 and must have performed services in covered employment
65.7 after the effective date of the prior benefit account. The wages paid for ~~that employment~~
65.8 those services must equal not less than be at least eight times the weekly unemployment
65.9 benefit amount of the prior benefit account. ~~Part of the purpose of~~ reason for this
65.10 subdivision is to prevent an applicant from establishing more than one benefit account as a
65.11 result of one loss of employment.

65.12 Sec. 22. Minnesota Statutes 2008, section 268.084, is amended to read:

65.13 **268.084 PERSONAL IDENTIFICATION NUMBER; PRESUMPTION.**

65.14 (a) Each applicant must be issued a personal identification number (PIN) for the
65.15 purpose of filing continued requests for unemployment benefits, accessing information,
65.16 and engaging in other transactions with the department.

65.17 (b) If a PIN assigned to an applicant is used in the filing of a continued request for
65.18 unemployment benefits under section ~~268.086~~ 268.0865 or any other type of transaction,
65.19 the applicant is presumed to have been the individual using that PIN and presumed to have
65.20 received any unemployment benefit payment issued. This presumption may be rebutted
65.21 by a preponderance of the evidence showing that the applicant assigned the PIN was not
65.22 the individual who used that PIN in the transaction.

65.23 (c) The commissioner ~~shall~~ must notify each applicant of this section.

65.24 Sec. 23. Minnesota Statutes 2008, section 268.085, subdivision 1, is amended to read:

65.25 Subdivision 1. **Eligibility conditions.** An applicant may be eligible to receive
65.26 unemployment benefits for any week if:

65.27 (1) the applicant has ~~an active benefit account and has~~ filed a continued request for
65.28 unemployment benefits for that week under section ~~268.086~~ 268.0865;

65.29 (2) the week for which unemployment benefits are requested is in the applicant's
65.30 benefit year;

65.31 (3) the applicant was unemployed as defined in section 268.035, subdivision 26;

65.32 (4) the applicant was ~~able to work and was~~ available for suitable employment, ~~and~~
65.33 ~~was actively seeking suitable employment as defined in subdivision 15.~~ The applicant's

weekly unemployment benefit amount is reduced one-fifth for each day the applicant is ~~unable to work or is~~ unavailable for suitable employment. ~~If the computation of the reduced unemployment benefits is not a whole dollar, it is rounded down to the next lower whole dollar.~~ This clause does not apply to an applicant who is in reemployment assistance training, or each day the applicant is on jury duty or serving as an election judge;

(5) the applicant was actively seeking suitable employment as defined in subdivision 16. This clause does not apply to an applicant who is in reemployment assistance training or who was on jury duty throughout the week;

(6) the applicant has served a nonpayable waiting period of one week that the applicant is otherwise entitled to some amount of unemployment benefits. This clause does not apply if the applicant would have been entitled to federal disaster unemployment assistance because of a disaster in Minnesota, but for the applicant's establishment of a benefit account under section 268.07; and

~~(6)~~ (7) the applicant has been participating in reemployment assistance services, such as job search and resume writing classes, if the applicant has been determined in need of reemployment assistance services by the commissioner, unless the applicant has good cause for failing to participate.

Sec. 24. Minnesota Statutes 2008, section 268.085, subdivision 2, is amended to read:

Subd. 2. **Not eligible.** An applicant is ineligible for unemployment benefits for any week:

(1) that occurs before the effective date of a benefit account;

(2) that the applicant, at the beginning of the week, has an outstanding fraud overpayment balance under section 268.18, subdivision 2, including any penalties and interest;

(3) that occurs in a period when the applicant is a student in attendance at, or on vacation from a secondary school including the period between academic years or terms;

(4) that the applicant is incarcerated or performing ~~court-ordered~~ court-ordered community service. The applicant's weekly unemployment benefit amount is reduced by one-fifth for each day the applicant is incarcerated or performing ~~court-ordered~~ court-ordered community service. ~~If the computation of the reduced unemployment benefits is not a whole dollar, it is rounded down to the next lower whole dollar;~~

(5) that the applicant fails or refuses to provide information on an issue of ineligibility required under section 268.101;

(6) that the applicant is performing services 32 hours or more, in employment, covered employment, noncovered employment, volunteer work, or self-employment regardless of the amount of any earnings; or

(7) with respect to which the applicant is receiving, has received, or has filed an application for unemployment benefits under any federal law or the law of any other state. If the appropriate agency finally determines that the applicant is not entitled to the unemployment benefits, this clause does not apply.

Sec. 25. Minnesota Statutes 2008, section 268.085, subdivision 3, is amended to read:

Subd. 3. Payments that delay unemployment benefits. (a) An applicant is not eligible to receive unemployment benefits for any week with respect to which the applicant is receiving, has received, or has filed for payment, equal to or in excess of the applicant's weekly unemployment benefit amount, in the form of:

(1) vacation pay paid upon temporary, indefinite, or seasonal separation. This clause does not apply to (i) vacation pay paid upon a permanent separation from employment, or (ii) vacation pay paid from a vacation fund administered by a union or a third party not under the control of the employer;

(2) severance pay, bonus pay, sick pay, and any other payments, except earnings under subdivision 5, and back pay under subdivision 6, paid by an employer because of, upon, or after separation from employment, but only if the payment is considered wages at the time of payment under section 268.035, subdivision 29; or

(3) pension, retirement, or annuity payments from any plan contributed to by a base period employer including the United States government, except Social Security benefits that are provided for in subdivision 4. The base period employer is considered to have contributed to the plan if the contribution is excluded from the definition of wages under section 268.035, subdivision 29, clause (1).

An applicant is not considered to have received the lump-sum payment if the applicant immediately deposits that payment in a qualified pension plan or account.

(b) This subdivision applies to all the weeks of payment. Payments under paragraph (a), ~~clauses (1) and (2)~~ clause (1), are applied to the period immediately following the last day of employment. The number of weeks of payment is determined as follows:

(1) if the payments are made periodically, the total of the payments to be received is divided by the applicant's last level of regular weekly pay from the employer; or

(2) if the payment is made in a lump sum, that sum is divided by the applicant's last level of regular weekly pay from the employer.

(c) If the payment is less than the applicant's weekly unemployment benefit amount, unemployment benefits are reduced by the amount of the payment. If the computation of reduced unemployment benefits is not a whole dollar, it is rounded down to the next lower whole dollar.

EFFECTIVE DATE. This section is effective the day following final enactment and is retroactive to December 1, 2008.

Sec. 26. Minnesota Statutes 2008, section 268.085, subdivision 3a, is amended to read:

Subd. 3a. **Workers' compensation and disability insurance offset.** (a) An applicant is not eligible to receive unemployment benefits for any week in which the applicant is receiving or has received compensation for loss of wages equal to or in excess of the applicant's weekly unemployment benefit amount under:

(1) the workers' compensation law of this state;

(2) the workers' compensation law of any other state or similar federal law; or

(3) any insurance or trust fund paid in whole or in part by an employer.

(b) This subdivision does not apply to an applicant who has a claim pending for loss of wages under paragraph (a); however, before unemployment benefits may be paid when a claim is pending, the issue of the applicant being ~~able to work~~ available for suitable employment, as required under subdivision 1, clause ~~(2)~~ (4), is determined under section 268.101, subdivision ~~3~~ 2. If the applicant later receives compensation as a result of the pending claim, the applicant is subject to the provisions of paragraph (a) and the unemployment benefits paid are subject to recoupment by the commissioner to the extent that the compensation constitutes overpaid unemployment benefits.

(c) If the amount of compensation described under paragraph (a) for any week is less than the applicant's weekly unemployment benefit amount, unemployment benefits requested for that week are reduced by the amount of that compensation payment.

Sec. 27. Minnesota Statutes 2008, section 268.085, subdivision 4, is amended to read:

Subd. 4. **Social Security benefits.** (a) Any applicant aged 62 or over is required to state when filing an application for unemployment benefits and when filing continued requests for unemployment benefits if the applicant is receiving, has filed for, or intends to file for, primary Social Security old age benefits for any week during the benefit year.

~~If the effective date of the applicant's Social Security claim for old age benefits is, or will be, after the start of the base period, there must be deducted from an applicant's weekly unemployment benefit amount~~ Unless paragraph (b) applies, 50 percent of the weekly equivalent of the primary Social Security old age benefit the applicant has

received, has filed for, or intends to file for, with respect to that week must be deducted from an applicant's weekly unemployment benefit amount.

~~(b) If the effective date~~ all of the applicant's wage credits were earned while the applicant was claiming Social Security claim for old age benefits is before the start of the base period, there is no deduction from the applicant's weekly unemployment benefit amount. The purpose of this paragraph is to ensure that an applicant who is claiming Social Security benefits has demonstrated a desire and ability to work.

~~(b)~~ (c) An applicant who is receiving, has received, or has filed for primary Social Security disability benefits for any week during the benefit year must be determined ~~unable to work and~~ unavailable for suitable employment for that week, unless:

(1) the Social Security Administration approved the collecting of primary Social Security disability benefits each month the applicant was employed during the base period; or

(2) the applicant provides a statement from an appropriate health care professional who is aware of the applicant's Social Security disability claim and the basis for that claim, certifying that the applicant is ~~able to work and~~ available for suitable employment.

If an applicant meets the requirements of clause (1) there is no deduction from the applicant's weekly benefit amount for any Social Security disability benefits. If only clause (2) applies, then there must be deducted from the applicant's weekly unemployment benefit amount 50 percent of the weekly equivalent of the primary Social Security disability benefits the applicant is receiving, has received, or has filed for, with respect to that week; provided, however, that if the Social Security Administration determines that an individual is not entitled to receive primary Social Security disability benefits for any week the applicant has applied for those benefits, the 50 percent deduction does not apply to that week.

~~(c)~~ (d) Information from the Social Security Administration is considered conclusive, absent specific evidence showing that the information was erroneous.

~~(d) If the computation of the reduced unemployment benefits is not a whole dollar, it is rounded down to the next lower whole dollar.~~

(e) This subdivision does not apply to Social Security survivor benefits.

Sec. 28. Minnesota Statutes 2008, section 268.085, subdivision 5, is amended to read:

Subd. 5. **Deductible earnings.** (a) If the applicant has earnings, including holiday pay, with respect to any week, from employment, covered employment, noncovered employment, self-employment, or volunteer work, equal to or in excess of the applicant's

weekly unemployment benefit amount, the applicant is ineligible for unemployment benefits for that week.

(b) If the applicant has earnings, with respect to any week, that is less than the applicant's weekly unemployment benefit amount, from employment, covered employment, noncovered employment, self-employment, or volunteer work, 55 percent of the earnings are deducted from the weekly unemployment benefit amount.

~~The resulting unemployment benefit, if not a whole dollar, is rounded down to the next lower whole dollar.~~

(c) No deduction is made from an applicant's weekly unemployment benefit amount for earnings from service in the National Guard or a United States military reserve unit or from direct service as a volunteer firefighter or volunteer ambulance service personnel. This exception to paragraphs (a) and (b) does not apply to on-call or standby pay provided to a volunteer firefighter or volunteer ambulance service personnel. No deduction is made for jury duty pay or for pay as an election judge.

(d) The applicant may report deductible earnings on continued requests for unemployment benefits at the next lower whole dollar amount.

(e) Deductible earnings does not include any money considered a deductible payment under subdivision 3, but includes all compensation considered wages under section 268.035, subdivision 29, and any other compensation considered earned income under state and federal law for income tax purposes.

Sec. 29. **[268.0865] CONTINUED REQUEST FOR UNEMPLOYMENT BENEFITS.**

Subdivision 1. Continued request for unemployment benefits defined. A continued request for unemployment benefits is a certification by an applicant, done on a weekly basis, that the applicant is unemployed and meets the ongoing eligibility requirements for unemployment benefits under section 268.085. A continued request must include information on possible issues of ineligibility in accordance with section 268.101, subdivision 1, paragraph (c).

Subd. 2. Filing continued requests for unemployment benefits. (a) The commissioner must designate to each applicant one of the following methods for filing a continued request:

(1) by electronic transmission under subdivision 3; or

(2) by mail under subdivision 4.

(b) The method designated by the commissioner is the only method allowed for filing a continued request by that applicant. An applicant may ask that the other allowed

method be designated and the commissioner must consider inconvenience to the applicant as well as administrative capacity in determining whether to allow an applicant to change the designated method for filing a continued request for unemployment benefits.

Subd. 3. Continued request for unemployment benefits by electronic transmission. (a) A continued request for unemployment benefits by electronic transmission must be filed to that electronic mail address, telephone number, or Internet address prescribed by the commissioner for that applicant. In order to constitute a continued request, all information asked for, including information authenticating that the applicant is sending the transmission, must be provided in the format required. If all of the information asked for is not provided, the communication does not constitute a continued request for unemployment benefits.

(b) The electronic transmission communication must be filed on the date and during the time of day designated for the applicant for filing a continued request by electronic transmission.

(c) If the electronic transmission continued request is not filed on the date and during the time of day designated, a continued request by electronic transmission must be accepted if the applicant files the continued request by electronic transmission within two calendar weeks following the week in which the date designated occurred. If the continued request by electronic transmission is not filed within two calendar weeks following the week in which the date designated occurred, the electronic continued request will not be accepted and the applicant is ineligible for unemployment benefits for the period covered by the continued request, unless the applicant shows good cause for failing to file the continued request by electronic transmission within the time period required.

Subd. 4. Continued request for unemployment benefits by mail. (a) A continued request for unemployment benefits by mail must be on a form prescribed by the commissioner. The form, in order to constitute a continued request, must be totally completed and signed by the applicant. The form must be filed on the date required for the applicant for filing a continued request by mail, in an envelope with postage prepaid, and sent to the address designated.

(b) If the mail continued request for unemployment benefits is not filed on the date designated, a continued request must be accepted if the form is filed by mail within two calendar weeks following the week in which the date designated occurred. If the form is not filed within two calendar weeks following the week in which the date designated occurred, the form will not be accepted and the applicant is ineligible for unemployment benefits for the period covered by the continued request for unemployment benefits,

72.1 unless the applicant shows good cause for failing to file the form by mail within the time
72.2 period required.

72.3 (c) If the applicant has been designated to file a continued request for unemployment
72.4 benefits by mail, an applicant may submit the form by facsimile transmission on the day
72.5 otherwise required for mailing, or within two calendar weeks following the week in which
72.6 the date designated occurred. A form submitted by facsimile transmission must be sent
72.7 only to the telephone number assigned for that purpose.

72.8 (d) An applicant who has been designated to file a continued request by mail may
72.9 personally deliver a continued request form only to the location to which the form was
72.10 otherwise designated to be mailed.

72.11 Subd. 5. **Good cause defined.** (a) "Good cause" for purposes of this section is a
72.12 compelling substantial reason that would have prevented a reasonable person acting with
72.13 due diligence from filing a continued request for unemployment benefits within the time
72.14 periods required.

72.15 (b) Good cause does not include forgetfulness, loss of the continued request form if
72.16 filing by mail, having returned to work, having an appeal pending, or inability to file a
72.17 continued request for unemployment benefits by the method designated if the applicant
72.18 was aware of the inability and did not make diligent effort to have the method of filing
72.19 a continued request changed by the commissioner. Good cause does not include having
72.20 previously made an attempt to file a continued request for unemployment benefits but
72.21 where the communication was not considered a continued request because the applicant
72.22 failed to submit all required information.

72.23 Sec. 30. Minnesota Statutes 2008, section 268.095, subdivision 4, is amended to read:

72.24 Subd. 4. **Discharge.** An applicant who was discharged from employment by an
72.25 employer is ineligible for all unemployment benefits according to subdivision 10 only
72.26 if a preponderance of the evidence shows:

72.27 (1) the applicant was discharged because of employment misconduct as defined
72.28 in subdivision 6; or

72.29 (2) the applicant was discharged because of aggravated employment misconduct as
72.30 defined in subdivision 6a.

72.31 Sec. 31. Minnesota Statutes 2008, section 268.095, subdivision 10, is amended to read:

72.32 Subd. 10. **Ineligibility duration.** (a) Ineligibility from the payment of all
72.33 unemployment benefits under subdivisions 1 and 4 is for the duration of the applicant's
72.34 unemployment and until the end of the calendar week that the applicant had total earnings

in subsequent covered employment of eight times the applicant's weekly unemployment benefit amount.

(b) Ineligibility imposed under subdivisions 1 and 4 begins on the Sunday of the week that the applicant became separated from employment.

(c) In addition to paragraph (a), if the applicant was discharged from employment because of aggravated employment misconduct, wage credits from that employment are canceled and cannot be used for purposes of a benefit account under section 268.07, subdivision 2.

Sec. 32. Minnesota Statutes 2008, section 268.095, subdivision 11, is amended to read:

Subd. 11. **Application.** (a) This section and section 268.085, subdivision 13c, ~~and this section~~ apply to all covered employment, full time or part time, temporary or of limited duration, permanent or of indefinite duration, that occurred in Minnesota during the base period, the period between the end of the base period and the effective date of the benefit account, or the benefit year, ~~except as provided for in subdivision 1, clause (5).~~

(b) Paragraph (a) also applies to employment covered under an unemployment insurance program of any other state or established by an act of Congress.

Sec. 33. Minnesota Statutes 2008, section 268.101, subdivision 1, is amended to read:

Subdivision 1. **Notification.** (a) In an application for unemployment benefits, each applicant must report the name and the reason for no longer working for the applicant's most recent employer, as well as the names of all employers and the reasons for no longer working for all employers during the six calendar months before the date of the application. If the reason reported for no longer working for any of those employers is other than a layoff because of lack of work, that raises an issue of ineligibility that the department must determine. An applicant must report any offers of employment refused during the eight calendar weeks before the date of the application for unemployment benefits and the name of the employer that made the offer. An applicant's failure to report the name of an employer, or giving an incorrect reason for no longer working for an employer, or failing to disclose an offer of employment that was refused, is a violation of section 268.182, subdivision 2.

In an application, the applicant must also provide all information necessary to determine the applicant's eligibility for unemployment benefits under this chapter. If the applicant fails or refuses to provide information necessary to determine the applicant's eligibility for unemployment benefits, the applicant is ineligible for unemployment

benefits under section 268.085, subdivision 2, until the applicant provides this required information.

(b) Upon establishment of a benefit account under section 268.07, subdivision 2, the commissioner shall notify, by mail or electronic transmission, all employers the applicant was required to report on the application and all base period employers and determined successors to those employers under section 268.051, subdivision 4, in order to provide the employer an opportunity to raise, in a manner and format prescribed by the commissioner, any issue of ineligibility. An employer must be informed of the effect that failure to raise an issue of ineligibility as a result of a quit or discharge of the applicant, ~~within ten calendar days after sending of the notice,~~ as provided for under subdivision 2, paragraph (b), may have on the employer under section 268.047.

(c) Each applicant must report any employment, and loss of employment, and offers of employment refused, during those weeks the applicant filed continued requests for unemployment benefits under section ~~268.086~~ 268.0865. Each applicant who stops filing continued requests during the benefit year and later begins filing continued requests during that same benefit year must report the name of any employer the applicant worked for during the period between the filing of continued requests and the reason the applicant stopped working for the employer. The applicant must report any offers of employment refused during the period between the filing of continued requests for unemployment benefits. Those employers from which the applicant has reported a loss of employment under this paragraph must be notified by mail or electronic transmission and provided an opportunity to raise, in a manner prescribed by the commissioner, any issue of ineligibility. An employer must be informed of the effect that failure to raise an issue of ineligibility as a result of a quit or a discharge of the applicant may have on the employer under section 268.047.

(d) The purpose for requiring the applicant to report the name of employers and the reason for no longer working for those employers, or offers of employment refused, under paragraphs (a) and (c) is for the commissioner to obtain information from an applicant raising all issues that may result in the applicant being ineligible for unemployment benefits under section 268.095, because of a quit or discharge, or the applicant being ineligible for unemployment benefits under section 268.085, subdivision 13c. If the reason given by the applicant for no longer working for an employer is other than a layoff because of lack of work, that raises an issue of ineligibility and the applicant is required, as part of the determination process under subdivision 2, paragraph (a), to state all the facts about the cause for no longer working for the employer, if known. If the applicant fails or refuses to provide any required information, the applicant is ineligible for

75.1 unemployment benefits under section 268.085, subdivision 2, until the applicant provides
75.2 this required information.

75.3 Sec. 34. Minnesota Statutes 2008, section 268.101, subdivision 2, is amended to read:

75.4 Subd. 2. **Determination.** (a) The commissioner ~~shall~~ must determine any issue
75.5 of ineligibility raised by information required from an applicant under subdivision 1,
75.6 paragraph (a) or (c), and send to the applicant and any involved employer, by mail or
75.7 electronic transmission, a document titled a determination of eligibility or a determination
75.8 of ineligibility, as is appropriate. The determination on an issue of ineligibility as a result
75.9 of a quit or a discharge of the applicant must state the effect on the employer under section
75.10 268.047. A determination must be made in accordance with this paragraph even if a
75.11 notified employer has not raised the issue of ineligibility.

75.12 (b) The commissioner ~~shall~~ must determine any issue of ineligibility raised by an
75.13 employer and send to the applicant and that employer, by mail or electronic transmission,
75.14 a document titled a determination of eligibility or a determination of ineligibility as is
75.15 appropriate. The determination on an issue of ineligibility as a result of a quit or discharge
75.16 of the applicant must state the effect on the employer under section 268.047.

75.17 If a base period employer:

75.18 (1) was not the applicant's most recent employer before the application for
75.19 unemployment benefits;

75.20 (2) did not employ the applicant during the six calendar months before the
75.21 application for unemployment benefits; and

75.22 (3) did not raise an issue of ineligibility as a result of a quit or discharge of the
75.23 applicant within ten calendar days of notification under subdivision 1, paragraph (b);
75.24 then any exception under section 268.047, subdivisions 2 and 3, begins the Sunday two
75.25 weeks following the week that the issue of ineligibility as a result of a quit or discharge of
75.26 the applicant was raised by the employer.

75.27 A communication from an employer must specifically set out why the applicant
75.28 should be determined ineligible for unemployment benefits for that communication to be
75.29 considered to have raised an issue of ineligibility for purposes of this section. A statement
75.30 of "protest" or a similar term without more information does not constitute raising an issue
75.31 of ineligibility for purposes of this section.

75.32 (c) An issue of ineligibility is determined based upon that information required of
75.33 an applicant, any information that may be obtained from an applicant or employer, and
75.34 information from any other source, ~~without regard to any burden of proof.~~

(d) Regardless of the requirements of this subdivision, the commissioner is not required to send to an applicant a copy of the determination where the applicant has satisfied a period of ineligibility because of a quit or a discharge under section 268.095, subdivision 10.

(e) The commissioner may issue a determination on an issue of ineligibility at any time within 24 months from the establishment of a benefit account based upon information from any source, even if the issue of ineligibility was not raised by the applicant or an employer. This paragraph does not prevent the imposition of a penalty on an applicant under section 268.18, subdivision 2, or 268.182.

(f) A determination of eligibility or determination of ineligibility is final unless an appeal is filed by the applicant or notified employer within 20 calendar days after sending. The determination must contain a prominent statement indicating the consequences of not appealing. Proceedings on the appeal are conducted in accordance with section 268.105.

(g) An issue of ineligibility required to be determined under this section includes any question regarding the denial or allowing of unemployment benefits under this chapter except for issues under section 268.07. An issue of ineligibility for purposes of this section includes any question of effect on an employer under section 268.047.

(h) Except for issues of ineligibility as a result of a quit or discharge of the applicant, the employer will be (1) sent a copy of the determination of eligibility or a determination of ineligibility, or (2) considered an involved employer for purposes of an appeal under section 268.105, only if the employer raised the issue of ineligibility.

Sec. 35. Minnesota Statutes 2008, section 268.103, subdivision 1, is amended to read:

Subdivision 1. **In commissioner's discretion.** (a) ~~The commissioner shall have the discretion to~~ may allow an appeal to be filed by electronic transmission. If the commissioner allows an appeal to be filed by electronic transmission, that must be clearly set out on the determination or decision subject to appeal.

(b) ~~The commissioner may restrict the manner, and format, and conditions under which an appeal by electronic transmission may be filed. Any Restrictions as to days, hours, a specific telephone number, or electronic address, or other conditions, must be clearly set out on the determination or decision subject to appeal.~~

(c) All information requested by the commissioner when an appeal is filed by electronic transmission must be supplied or the communication does not constitute an appeal.

(d) This section applies to requests for reconsideration under section 268.105, subdivision 2.

77.1 Sec. 36. Minnesota Statutes 2008, section 268.105, subdivision 1, is amended to read:

77.2 Subdivision 1. **Evidentiary hearing by unemployment law judge.** (a) Upon
77.3 a timely appeal having been filed, the department must send, by mail or electronic
77.4 transmission, a notice of appeal to all involved parties that an appeal has been filed, and
77.5 that a de novo due process evidentiary hearing will be scheduled, ~~and that the parties~~
77.6 ~~have certain~~. The notice must set out the parties' rights and responsibilities regarding the
77.7 hearing. The notice must explain that the matter will be decided by the unemployment
77.8 law judge based upon a preponderance of the evidence. The notice must explain in clear
77.9 and simple language the meaning of the term "preponderance of the evidence." The
77.10 department must set a time and place for a de novo due process evidentiary hearing and
77.11 send notice to any involved applicant and any involved employer, by mail or electronic
77.12 transmission, not less than ten calendar days before the date of the hearing.

77.13 (b) The evidentiary hearing is conducted by an unemployment law judge ~~without~~
77.14 ~~regard to any burden of proof as an evidence gathering inquiry and not an adversarial~~
77.15 ~~proceeding~~. At the beginning of the hearing the unemployment law judge must fully
77.16 explain how the hearing will be conducted, that the matter will be decided upon a
77.17 preponderance of the evidence, and, in clear and simple language, the meaning of the
77.18 term "preponderance of the evidence." The unemployment law judge must ensure that
77.19 all relevant facts are clearly and fully developed. The department may adopt rules on
77.20 evidentiary hearings. The rules need not conform to common law or statutory rules of
77.21 evidence and other technical rules of procedure. The department has discretion regarding
77.22 the method by which the evidentiary hearing is conducted. A report of any employee of
77.23 the department, except a determination, made in the regular course of the employee's
77.24 duties, is competent evidence of the facts contained in it.

77.25 (c) After the conclusion of the hearing, upon the evidence obtained, the
77.26 unemployment law judge must make findings of fact and decision and send those, by mail
77.27 or electronic transmission, to all involved parties. When the credibility of an involved
77.28 party or witness testifying in an evidentiary hearing has a significant effect on the outcome
77.29 of a decision, the unemployment law judge must set out the reason for crediting or
77.30 discrediting that testimony. The unemployment law judge's decision is final unless a
77.31 request for reconsideration is filed under subdivision 2.

77.32 (d) Regardless of paragraph (c), if the appealing party fails to participate in the
77.33 evidentiary hearing, the unemployment law judge has the discretion to dismiss the appeal
77.34 by summary order. By failing to participate, the appealing party is considered to have
77.35 failed to exhaust available administrative remedies unless the appealing party files a
77.36 request for reconsideration under subdivision 2 and establishes good cause for failing to

participate in the evidentiary hearing under subdivision 2, paragraph (d). Submission of a written statement does not constitute participation. The applicant must participate personally and appearance solely by a representative does not constitute participation.

(e) Only employees of the department who are attorneys licensed to practice law in Minnesota may serve as the chief unemployment law judge, senior unemployment law judges who are supervisors, or unemployment law judges. The commissioner must designate a chief unemployment law judge. The chief unemployment law judge may transfer to another unemployment law judge any proceedings pending before an unemployment law judge.

Sec. 37. Minnesota Statutes 2008, section 268.105, subdivision 2, is amended to read:

Subd. 2. **Request for reconsideration.** (a) Any involved applicant, involved employer, or the commissioner may, within 20 calendar days of the sending of the unemployment law judge's decision under subdivision 1, file a request for reconsideration asking the unemployment law judge to reconsider that decision. Section 268.103 applies to a request for reconsideration. If a request for reconsideration is timely filed, the unemployment law judge must issue an order:

(1) modifying the findings of fact and decision issued under subdivision 1;

(2) setting aside the ~~findings of fact and~~ decision issued under subdivision 1 and directing that an additional evidentiary hearing be conducted under subdivision 1; or

(3) affirming the findings of fact and decision issued under subdivision 1.

(b) Upon a timely request for reconsideration having been filed, the department must send a notice, by mail or electronic transmission, to all involved parties that a request for reconsideration has been filed. The notice must inform the involved parties:

(1) of the opportunity to provide comment on the request for reconsideration, and the right under subdivision 5 to obtain a copy of any recorded testimony and exhibits offered or received into evidence at the evidentiary hearing;

(2) that providing specific comments as to a perceived factual or legal error in the decision, or a perceived error in procedure during the evidentiary hearing, will assist the unemployment law judge in deciding the request for reconsideration;

(3) of the right to obtain any comments and submissions provided by the other involved party regarding the request for reconsideration; and

(4) of the provisions of paragraph (c) regarding additional evidence.

This paragraph does not apply if paragraph (d) is applicable.

(c) In deciding a request for reconsideration, the unemployment law judge must not, except for purposes of determining whether to order an additional evidentiary hearing,

consider any evidence that was not submitted at the evidentiary hearing conducted under subdivision 1.

The unemployment law judge must order an additional evidentiary hearing if an involved party shows that evidence which was not submitted at the evidentiary hearing: (1) would likely change the outcome of the decision and there was good cause for not having previously submitted that evidence; or (2) would show that the evidence that was submitted at the evidentiary hearing was likely false and that the likely false evidence had an effect on the outcome of the decision.

(d) If the involved applicant or involved employer who filed the request for reconsideration failed to participate in the evidentiary hearing conducted under subdivision 1, an order setting aside the ~~findings of fact and~~ decision and directing that an additional evidentiary hearing be conducted must be issued if the party who failed to participate had good cause for failing to do so. In the notice that a request for reconsideration has been filed, the party who failed to participate must be informed of the requirement, and provided the opportunity, to show good cause for failing to participate. If the unemployment law judge determines that good cause for failure to participate has not been shown, the unemployment law judge must state that in the order issued under paragraph (a).

Submission of a written statement at the evidentiary hearing under subdivision 1 does not constitute participation for purposes of this paragraph.

All involved parties must be informed of this paragraph with the notice of appeal and notice of hearing provided for in subdivision 1.

"Good cause" for purposes of this paragraph is a reason that would have prevented a reasonable person acting with due diligence from participating at the evidentiary hearing.

(e) A request for reconsideration must be decided by the unemployment law judge who issued the ~~findings of fact and~~ decision under subdivision 1 unless that unemployment law judge: (1) is no longer employed by the department; (2) is on an extended or indefinite leave; (3) has been disqualified from the proceedings on the judge's own motion; or (4) has been removed from the proceedings ~~as provided for under subdivision 1 or applicable rule~~ by the chief unemployment law judge.

(f) The unemployment law judge must send to any involved applicant or involved employer, by mail or electronic transmission, the order issued under this subdivision. An order modifying the previously issued findings of fact and decision or an order affirming the previously issued findings of fact and decision is the final department decision on the matter and is final and binding on the involved applicant and involved employer unless judicial review is sought under subdivision 7.

Sec. 38. Minnesota Statutes 2008, section 268.105, subdivision 3a, is amended to read:

Subd. 3a. **Decisions.** (a) If an unemployment law judge's decision or order allows unemployment benefits to an applicant, the unemployment benefits must be paid regardless of any request for reconsideration or any appeal to the Minnesota Court of Appeals having been filed.

(b) If an unemployment law judge's decision or order modifies or reverses a determination, or prior decision of the unemployment law judge, allowing unemployment benefits to an applicant, any benefits paid in accordance with the determination, or prior decision of the unemployment law judge, is considered an overpayment of those unemployment benefits. A decision or order issued under this section that results in an overpayment of unemployment benefits must set out the amount of the overpayment and the requirement under section 268.18, subdivision 1, that the overpaid unemployment benefits must be repaid.

(c) If an unemployment law judge's order under subdivision 2 allows unemployment benefits to an applicant under section 268.095 because of a quit or discharge and the unemployment law judge's decision is reversed by the Minnesota Court of Appeals or the Supreme Court of Minnesota, the applicant cannot be held ineligible for any of the unemployment benefits paid the applicant and it is not considered an overpayment of those unemployment benefits under section 268.18, subdivision 1. The effect of the court's reversal is the application of section 268.047, subdivision 3, in computing the future tax rate of the employer.

(d) If an unemployment law judge, under subdivision 2, orders the taking of additional evidence, the unemployment law judge's prior decision must continue to be enforced until new findings of fact and decision are made by the unemployment law judge.

Sec. 39. Minnesota Statutes 2008, section 268.105, subdivision 4, is amended to read:

Subd. 4. **Oaths; subpoenas.** An unemployment law judge has authority to administer oaths and affirmations, take depositions, and issue subpoenas to compel the attendance of witnesses and the production of documents and other personal property considered necessary as evidence in connection with the subject matter of an evidentiary hearing.

The unemployment law judge must give full consideration to a request for a subpoena and must not unreasonably deny a request for a subpoena. If a subpoena request is initially denied, the unemployment law judge must, on the unemployment law judge's own motion, reconsider that request during the evidentiary hearing and rule on whether the request was properly denied. If the request was not properly denied, the evidentiary

81.1 hearing must be continued for issuance of the subpoena. The subpoenas are enforceable
81.2 through the district court in Ramsey County. Witnesses subpoenaed, other than an involved
81.3 applicant or involved employer or officers and employees of an involved employer, must
81.4 be paid by the department the same witness fees as in a civil action in district court.

81.5 Sec. 40. Minnesota Statutes 2008, section 268.115, subdivision 5, is amended to read:

81.6 Subd. 5. **Maximum amount of extended unemployment benefits.** The maximum
81.7 amount of extended unemployment benefits available to an applicant is 50 percent of the
81.8 maximum amount of regular unemployment benefits available in the benefit year, ~~rounded~~
81.9 ~~down to the next lower whole dollar.~~ If the total rate of unemployment computed under
81.10 subdivision 1, clause (2)(ii), equaled or exceeded eight percent, the maximum amount
81.11 of extended unemployment benefits available is 80 percent of the maximum amount of
81.12 regular unemployment benefits available in the benefit year.

81.13 Sec. 41. Minnesota Statutes 2008, section 268.125, subdivision 5, is amended to read:

81.14 Subd. 5. **Maximum amount of unemployment benefits.** The maximum amount
81.15 of additional unemployment benefits available in the applicant's benefit year is one-half
81.16 of the applicant's maximum amount of regular unemployment benefits available under
81.17 section 268.07, subdivision 2, ~~rounded down to the next lower whole dollar.~~ Extended
81.18 unemployment benefits paid and unemployment benefits paid under any federal law other
81.19 than regular unemployment benefits must be deducted from the maximum amount of
81.20 additional unemployment benefits available.

81.21 Sec. 42. Minnesota Statutes 2008, section 268.135, subdivision 4, is amended to read:

81.22 Subd. 4. **Weekly benefit amount.** (a) An applicant who is eligible for shared work
81.23 benefits is paid an amount equal to the regular weekly unemployment benefit amount
81.24 multiplied by the nearest full percentage of reduction of the applicant's regular weekly
81.25 hours of work as set in the plan. ~~The benefit payment, if not a whole dollar must be~~
81.26 ~~rounded down to the next lower whole dollar.~~

81.27 (b) The deductible earnings provisions of section 268.085, subdivision 5, must not
81.28 apply to earnings from the shared work employer of an applicant eligible for shared work
81.29 benefits unless the resulting amount would be less than the regular weekly unemployment
81.30 benefit amount the applicant would otherwise be eligible for without regard to shared
81.31 work benefits.

82.1 (c) An applicant is not eligible for shared work benefits for any week that
82.2 employment is performed for the shared work employer in excess of the reduced hours
82.3 set forth in the plan.

82.4 Sec. 43. Minnesota Statutes 2008, section 268.145, subdivision 1, is amended to read:

82.5 Subdivision 1. **Notification.** (a) Upon filing an application for unemployment
82.6 benefits, the applicant must be informed that:

82.7 (1) unemployment benefits are subject to federal and state income tax;

82.8 (2) there are requirements for filing estimated tax payments;

82.9 (3) the applicant may elect to have federal income tax withheld from unemployment
82.10 benefits;

82.11 (4) if the applicant elects to have federal income tax withheld, the applicant may, in
82.12 addition, elect to have Minnesota state income tax withheld; and

82.13 (5) at any time during the benefit year the applicant may change a prior election.

82.14 (b) If an applicant elects to have federal income tax withheld, the commissioner

82.15 ~~shall~~ must deduct ten percent for federal income tax, ~~rounded down to the next lower~~

82.16 ~~whole dollar.~~ If an applicant also elects to have Minnesota state income tax withheld, the

82.17 commissioner ~~shall~~ must make an additional five percent deduction for state income

82.18 tax, ~~rounded down to the next lower whole dollar.~~ Any amounts deducted or offset under

82.19 sections 268.155, 268.18, and 268.184 have priority over any amounts deducted under this

82.20 section. Federal income tax withholding has priority over state income tax withholding.

82.21 (c) An election to have income tax withheld may not be retroactive and only applies

82.22 to unemployment benefits paid after the election.

82.23 Sec. 44. Minnesota Statutes 2008, section 268.18, subdivision 1, is amended to read:

82.24 Subdivision 1. **Nonfraud overpayment.** (a) Any applicant who (1) because of a

82.25 determination or amended determination issued under section 268.07 or 268.101, or any

82.26 other section of this chapter, or (2) because of an appeal decision or order under section

82.27 268.105, has received any unemployment benefits that the applicant was held not entitled

82.28 to, must promptly repay the unemployment benefits to the trust fund.

82.29 (b) If the applicant fails to repay the unemployment benefits overpaid, the

82.30 commissioner may offset from any future unemployment benefits otherwise payable the

82.31 amount of the overpayment. Except when the overpayment resulted because the applicant

82.32 failed to report deductible earnings or deductible or benefit delaying payments, no single

82.33 offset may exceed 50 percent of the amount of the payment from which the offset is made.

The overpayment may also be collected by the ~~same methods as delinquent payments~~
allowed under state and federal law from an employer.

(c) If an applicant has been overpaid unemployment benefits under the law of another state, because of a reason other than fraud, and that state certifies that the applicant is liable under its law to repay the unemployment benefits and requests the commissioner to recover the overpayment, the commissioner may offset from future unemployment benefits otherwise payable the amount of overpayment, except that no single offset may exceed 50 percent of the amount of the payment from which the offset is made.

~~(d) If under paragraph (b) or (c) the reduced unemployment benefits as a result of a 50 percent offset is not a whole dollar amount, it is rounded down to the next lower whole dollar.~~

Sec. 45. Minnesota Statutes 2008, section 268.18, subdivision 2, is amended to read:

Subd. 2. **Overpayment because of fraud.** (a) Any applicant who receives unemployment benefits by knowingly misrepresenting, misstating, or failing to disclose any material fact, or who makes a false statement or representation without a good faith belief as to the correctness of the statement or representation, has committed fraud. After the discovery of facts indicating fraud, the commissioner ~~shall~~ must make a determination that the applicant obtained unemployment benefits by fraud and that the applicant must promptly repay the unemployment benefits to the trust fund. In addition, the commissioner ~~shall~~ must assess a penalty equal to 40 percent of the amount fraudulently obtained. This penalty is in addition to penalties under section 268.182.

(b) Unless the applicant files an appeal within 20 calendar days after the sending of the determination of overpayment by fraud to the applicant by mail or electronic transmission, the determination is final. Proceedings on the appeal are conducted in accordance with section 268.105.

(c) If the applicant fails to repay the unemployment benefits, penalty, and interest assessed, the total due may be collected by the ~~same methods as delinquent payments from an employer~~ allowed under state and federal law. A determination of overpayment by fraud must state the methods of collection the commissioner may use to recover the overpayment. Money received in repayment of fraudulently obtained unemployment benefits, penalties, and interest is first applied to the unemployment benefits overpaid, then to the penalty amount due, then to any interest due. 62.5 percent of the payments made toward the penalty are credited to the contingent account and 37.5 percent credited to the administration account ~~for deterring, detecting, or collecting overpayments.~~

84.1 (d) If an applicant has been overpaid unemployment benefits under the law of
84.2 another state because of fraud and that state certifies that the applicant is liable to repay
84.3 the unemployment benefits and requests the commissioner to recover the overpayment,
84.4 the commissioner may offset from future unemployment benefits otherwise payable the
84.5 amount of overpayment.

84.6 (e) Unemployment benefits paid for weeks more than four years before the date of a
84.7 determination of overpayment by fraud issued under this subdivision are not considered
84.8 overpaid unemployment benefits.

84.9 Sec. 46. Minnesota Statutes 2008, section 268.196, subdivision 1, is amended to read:

84.10 Subdivision 1. **Administration account.** (a) There is created in the state treasury a
84.11 special account to be known as the administration account. All money that is deposited
84.12 ~~or paid~~ into this account is continuously available to the commissioner for expenditure to
84.13 administer the Minnesota unemployment insurance program, and does not lapse at any
84.14 time. The administration account consists of:

84.15 (1) all money received from the federal government to administer the Minnesota
84.16 unemployment insurance program, any federal unemployment insurance program, or
84.17 assistance provided to any other state to administer that state's unemployment insurance
84.18 program;

84.19 (2) five percent of any money recovered on overpaid unemployment benefits as
84.20 provided for in section 268.194, subdivision 1, clause (7), which must be used for
84.21 deterring, detecting, and collecting overpaid unemployment benefits;

84.22 (3) any money received as compensation for services or facilities supplied to the
84.23 federal government or any other state;

84.24 (4) any money credited to this account under this chapter;

84.25 (5) any amounts received for losses sustained by this account or by reason of
84.26 damage to equipment or supplies; and

84.27 ~~(5)~~ (6) any proceeds from the sale or disposition of any equipment or supplies that
84.28 may no longer be necessary for the proper administration of those sections.

84.29 (b) All money in this account must be deposited, administered, and disbursed in the
84.30 same manner and under the same conditions and requirements as are provided by law for
84.31 the other special accounts in the state treasury. The commissioner of finance, as treasurer
84.32 and custodian of this account, is liable for the faithful performance of duties in connection
84.33 with this account.

~~(c) All money in this account must be spent for the purposes and in the amounts found necessary by the United States Secretary of Labor for the proper and efficient administration of the Minnesota unemployment insurance program.~~

Sec. 47. Minnesota Statutes 2008, section 268.196, subdivision 2, is amended to read:

Subd. 2. **State to replace money wrongfully used.** If any money received under United States Code, title 42, section 501 of the Social Security Act ~~or the Wagner-Peyser Act~~, is found by the United States Secretary of Labor to have been spent for purposes other than, ~~or in amounts in excess of, those necessary~~ for the proper administration of the Minnesota unemployment insurance program, ~~the commissioner may replace the money from the contingent account. If the money is not replaced from the contingent account, it is the policy of this state that the money be replaced by money appropriated for that purpose from the general funds of this state. If not replaced from the contingent account,~~ the commissioner ~~shall~~ must, at the earliest opportunity, submit to the legislature a request for the appropriation of that amount.

Sec. 48. Minnesota Statutes 2008, section 268.199, is amended to read:

268.199 CONTINGENT ACCOUNT.

(a) There is created in the state treasury a special account, to be known as the contingent account, that does not lapse nor revert to any other fund or account. This account consists of ~~all money appropriated by the legislature~~, all money collected under this chapter that is required to be placed in this account, and any interest earned on the account. All money in this account is ~~supplemental to all federal money available to the commissioner. Money in this account is appropriated to the commissioner and is available to the commissioner~~ for administration of the Minnesota unemployment insurance program unless otherwise appropriated by session law.

(b) All money in this account must be deposited, administered, and disbursed in the same manner and under the same conditions and requirements as is provided by law for the other special accounts in the state treasury. ~~On June 30 of each year, all amounts in excess of \$300,000 in this account must be paid over to the trust fund.~~

Sec. 49. Minnesota Statutes 2008, section 268.211, is amended to read:

268.211 UNEMPLOYMENT INSURANCE BENEFITS TELEPHONE SYSTEM.

The commissioner must ensure that ~~the~~ any automated telephone system used for unemployment insurance benefits provides an option for any caller to speak to an

unemployment insurance specialist. An individual who calls any of the publicized telephone numbers seeking information about applying for unemployment benefits or on the status of a ~~claim~~ benefit account must have the option to speak on the telephone to a specialist who can provide direct assistance or can direct the caller to the ~~person~~ individual or office that is able to respond to the caller's needs.

Sec. 50. **REVISOR'S INSTRUCTION.**

In Minnesota Statutes, chapter 268, the revisor shall change "shall" to "must," except in Minnesota Statutes, sections 268.035 and 268.103.

Sec. 51. **REPEALER.**

Minnesota Statutes 2008, sections 268.085, subdivision 14; and 268.086, are repealed.

Sec. 52. **EFFECTIVE DATE.**

Sections 1 to 50 are effective August 2, 2009, and apply to all department determinations and unemployment law judge decisions issued on or after that date.

ARTICLE 6
IRON RANGE RESOURCES

Section 1. Minnesota Statutes 2008, section 116J.424, is amended to read:

116J.424 IRON RANGE RESOURCES AND REHABILITATION BOARD CONTRIBUTION.

The commissioner of the Iron Range Resources and Rehabilitation Board with approval ~~of the board~~ by at least seven Iron Range Resources and Rehabilitation Board members, shall provide an equal match for any loan or equity investment made for a facility located in the tax relief area defined in section 273.134, paragraph (b), by the Minnesota minerals 21st century fund created by section 116J.423. The match may be in the form of a loan or equity investment, notwithstanding whether the fund makes a loan or equity investment. The state shall not acquire an equity interest because of an equity investment or loan by the board and the board at its sole discretion shall decide what interest it acquires in a project. The commissioner of employment and economic development may require a commitment from the board to make the match prior to disbursing money from the fund.

87.1 Sec. 2. **[298.217] IRON RANGE RESOURCES AND REHABILITATION;**
87.2 **EARLY SEPARATION INCENTIVE PROGRAM AUTHORIZATION.**

87.3 (a) Notwithstanding any law to the contrary, the commissioner of Iron Range
87.4 resources and rehabilitation, in consultation with the commissioner of employee
87.5 relations, may offer a targeted early separation incentive program for employees of the
87.6 commissioner who have attained the age of 60 years or who have received credit for at
87.7 least 30 years of allowable service under the provisions of chapter 352.

87.8 (b) The early separation incentive program may include one or more of the following:

87.9 (1) employer-paid postseparation health, medical, and dental insurance until age
87.10 65; and

87.11 (2) cash incentives that may, but are not required to be, used to purchase additional
87.12 years of service credit through the Minnesota State Retirement System, to the extent that
87.13 the purchases are otherwise authorized by law.

87.14 (c) The commissioner of iron range resources and rehabilitation shall establish
87.15 eligibility requirements for employees to receive an incentive.

87.16 (d) The commissioner of iron range resources and rehabilitation, consistent with the
87.17 established program provisions under paragraph (b), and with the eligibility requirements
87.18 under paragraph (c), may designate specific programs or employees as eligible to be
87.19 offered the incentive program.

87.20 (e) Acceptance of the offered incentive must be voluntary on the part of the
87.21 employee and must be in writing. The incentive may only be offered at the sole discretion
87.22 of the commissioner of iron range resources and rehabilitation.

87.23 (f) The cost of the incentive is payable solely by funds made available to the
87.24 commissioner of iron range resources and rehabilitation by law, but only on prior approval
87.25 of the expenditures by a majority of the Iron Range Resources and Rehabilitation Board.

87.26 (g) This section and section 298.218 are repealed June 30, 2011.

87.27 Sec. 3. **[298.218] APPLICATION OF OTHER LAWS.**

87.28 Unilateral implementation of section 298.217 by the commissioner of iron range
87.29 resources and rehabilitation is not an unfair labor practice under chapter 179A.

87.30 Sec. 4. Minnesota Statutes 2008, section 298.22, subdivision 2, is amended to read:

87.31 Subd. 2. **Iron Range Resources and Rehabilitation Board.** There is hereby
87.32 created the Iron Range Resources and Rehabilitation Board, consisting of 13 members,
87.33 five of whom are state senators appointed by the Subcommittee on Committees of the
87.34 Rules Committee of the senate, and five of whom are representatives, appointed by the

speaker of the house. The remaining members shall be appointed one each by the senate majority leader, the speaker of the house, and the governor and must be nonlegislators who reside in a taconite assistance area as defined in section 273.1341. The members shall be appointed in January of every odd-numbered year, except that the initial nonlegislator members shall be appointed by July 1, 1999, and shall serve until January of the next odd-numbered year. Vacancies on the board shall be filled in the same manner as the original members were chosen. At least a majority of the legislative members of the board shall be elected from state senatorial or legislative districts in which over 50 percent of the residents reside within a taconite assistance area as defined in section 273.1341. All expenditures and projects made by the commissioner of Iron Range resources and rehabilitation shall be consistent with the priorities established in subdivision 8 and shall first be submitted to the Iron Range Resources and Rehabilitation Board for approval of expenditures and projects for rehabilitation purposes as provided by this section, and the method, manner, and time of payment of all funds proposed to be disbursed, by a majority of the board of expenditures and projects for rehabilitation purposes as provided by this section, and the method, manner, and time of payment of all funds proposed to be disbursed shall be first approved or disapproved by the board at least seven Iron Range Resources and Rehabilitation Board members. The board shall biennially make its report to the governor and the legislature on or before November 15 of each even-numbered year. The expenses of the board shall be paid by the state from the funds raised pursuant to this section. Members of the board who are legislators may be reimbursed for expenses in the manner provided in sections 3.099, subdivision 1, and 3.101, and may receive per diem payments during the interims between legislative sessions in the manner provided in section 3.099, subdivision 1. Members of the board who are not legislators may receive per diem payments and be reimbursed for expenses at the lowest rate provided for legislative members.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 5. Minnesota Statutes 2008, section 298.22, subdivision 5a, is amended to read:

Subd. 5a. **Forest trust.** The commissioner, upon the affirmative vote ~~of a majority of the members of the board,~~ of at least seven Iron Range Resources and Rehabilitation Board members, may purchase forest lands in the taconite assistance area defined in under section 273.1341 with funds specifically authorized for the purchase. The acquired forest lands must be held in trust for the benefit of the citizens of the taconite assistance area as the Iron Range Miners' Memorial Forest. The forest trust lands shall be managed and developed for recreation and economic development purposes. The commissioner, upon

89.1 the affirmative vote ~~of a majority of the members of the board~~, of at least seven Iron Range
89.2 Resources and Rehabilitation Board members, may sell forest lands purchased under this
89.3 subdivision if the board finds that the sale advances the purposes of the trust. Proceeds
89.4 derived from the management or sale of the lands and from the sale of timber or removal
89.5 of gravel or other minerals from these forest lands shall be deposited into an Iron Range
89.6 Miners' Memorial Forest account that is established within the state financial accounts.
89.7 Funds may be expended from the account upon approval ~~of a majority of the members~~
89.8 ~~of the board~~ by at least seven Iron Range Resources and Rehabilitation Board members,
89.9 to purchase, manage, administer, convey interests in, and improve the forest lands. By
89.10 ~~majority~~ an affirmative vote of the members of the board, of at least seven Iron Range
89.11 Resources and Rehabilitation Board members, money in the Iron Range Miners' Memorial
89.12 Forest account may be transferred into the corpus of the Douglas J. Johnson economic
89.13 protection trust fund established under sections 298.291 to 298.294. The property acquired
89.14 under the authority granted by this subdivision and income derived from the property or
89.15 the operation or management of the property are exempt from taxation by the state or its
89.16 political subdivisions while held by the forest trust.

89.17 Sec. 6. Minnesota Statutes 2008, section 298.22, subdivision 6, is amended to read:

89.18 Subd. 6. **Private entity participation.** The board may acquire an equity interest in
89.19 any project for which it provides funding. The commissioner may establish, participate in
89.20 the management of, and dispose of the assets of charitable foundations, nonprofit limited
89.21 liability companies, and nonprofit corporations associated with any project for which it
89.22 provides funding, including specifically, but without limitation, a corporation within the
89.23 meaning of section 317A.011, subdivision 6.

89.24 Sec. 7. Minnesota Statutes 2008, section 298.22, subdivision 7, is amended to read:

89.25 Subd. 7. **Project area development authority.** (a) In addition to the other powers
89.26 granted in this section and other law and notwithstanding any limitations contained in
89.27 subdivision 5, the commissioner, for purposes of fostering economic development and
89.28 tourism within the Giants Ridge Recreation Area or the Ironworld Discovery Center area,
89.29 may spend any money made available to the agency under section 298.28 to acquire real
89.30 or personal property or interests therein by gift, purchase, or lease and may convey by
89.31 lease, sale, or other means of conveyance or commitment any or all property interests
89.32 owned or administered by the commissioner within such areas.

89.33 (b) In furtherance of development of the Giants Ridge Recreation Area or the
89.34 Ironworld Discovery Center area, the commissioner may establish and participate in

charitable foundations, nonprofit limited liability companies, and nonprofit corporations, including a corporation within the meaning of section 317A.011, subdivision 6.

(c) The term "Giants Ridge recreation area" refers to an economic development project area established by the commissioner in furtherance of the powers delegated in this section within St. Louis County in the ~~western~~ following portions of the town of White and ~~in the eastern portion of the westerly, adjacent, unorganized township.~~ city of Biwabik:

Township 59, North, Range 15 West, Sections 7,8, 17-20 and 29-32;

Township 59 North, Range 16 West, Sections 12,13, 24, 25, and 36;

Township 58 North, Range 16 West, Section 1; and

Township 58 North, Range 15 West, Sections 5 and 6.

(d) The term "Ironworld Discovery Center area" refers to an economic development and tourism promotion project area established by the commissioner in furtherance of the powers delegated in this section within St. Louis County in the south portion of the town of Balkan.

Sec. 8. Minnesota Statutes 2008, section 298.22, subdivision 8, is amended to read:

Subd. 8. **Spending priority.** In making or approving any expenditures on programs or projects, the commissioner and the board shall give the highest priority to programs and projects that target relief to those areas of the taconite assistance area as defined in section 273.1341, that have the largest percentages of job losses and population losses directly attributable to the economic downturn in the taconite industry since the 1980s. The commissioner and the board shall compare the 1980 population and employment figures with the 2000 population and employment figures, and shall specifically consider the job losses in 2000 and 2001 resulting from the closure of LTV Steel Mining Company, in making or approving expenditures consistent with this subdivision, as well as the areas of residence of persons who suffered job loss for which relief is to be targeted under this subdivision. The commissioner may lease, for a term not exceeding 50 years and upon the terms determined by the commissioner and approved by ~~the board~~ at least seven Iron Range Resources and Rehabilitation Board members, surface and mineral interests owned or acquired by the state of Minnesota acting by and through the office of the commissioner of Iron Range resources and rehabilitation within those portions of the taconite assistance area affected by the closure of the LTV Steel Mining Company facility near Hoyt Lakes. The payments and royalties from these leases must be deposited into the fund established in section 298.292. This subdivision supersedes any other conflicting provisions of law and does not preclude the commissioner and the board from making expenditures for programs and projects in other areas.

91.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

91.2 Sec. 9. Minnesota Statutes 2008, section 298.22, subdivision 10, is amended to read:

91.3 Subd. 10. **Sale or privatization of functions.** The commissioner of Iron Range
91.4 resources and rehabilitation may not sell or privatize the Ironworld Discovery Center or
91.5 Giants Ridge Golf and Ski Resort without prior approval by ~~a majority vote of the board~~ at
91.6 least seven Iron Range Resources and Rehabilitation Board members.

91.7 **EFFECTIVE DATE.** This section is effective the day following final enactment.

91.8 Sec. 10. Minnesota Statutes 2008, section 298.22, subdivision 11, is amended to read:

91.9 Subd. 11. **Budgeting.** The commissioner of Iron Range resources and rehabilitation
91.10 shall annually prepare a budget for operational expenditures, programs, and projects, and
91.11 submit it to the Iron Range Resources and Rehabilitation Board and the governor ~~for~~
91.12 ~~approval.~~ After the budget is approved by ~~the board~~ at least seven Iron Range Resources
91.13 and Rehabilitation Board members and the governor, the commissioner may spend money
91.14 in accordance with the approved budget.

91.15 **EFFECTIVE DATE.** This section is effective the day following final enactment.

91.16 Sec. 11. Minnesota Statutes 2008, section 298.221, is amended to read:

91.17 **298.221 RECEIPTS FROM CONTRACTS; APPROPRIATION.**

91.18 (a) Except as provided in paragraph (c), all money paid to the state of Minnesota
91.19 pursuant to the terms of any contract entered into by the state under authority of section
91.20 298.22 and any fees which may, in the discretion of the commissioner of Iron Range
91.21 resources and rehabilitation, be charged in connection with any project pursuant to that
91.22 section as amended, shall be deposited in the state treasury to the credit of the Iron Range
91.23 Resources and Rehabilitation Board account in the special revenue fund and are hereby
91.24 appropriated for the purposes of section 298.22.

91.25 (b) Notwithstanding section 16A.013, merchandise may be accepted by the
91.26 commissioner of the Iron Range Resources and Rehabilitation Board for payment of
91.27 advertising contracts if the commissioner determines that the merchandise can be used
91.28 for special event prizes or mementos at facilities operated by the board. Nothing in this
91.29 paragraph authorizes the commissioner or a member of the board to receive merchandise
91.30 for personal use.

91.31 (c) All fees charged by the commissioner in connection with public use of the
91.32 state-owned ski and golf facilities at the Giants Ridge Recreation Area and all other

92.1 revenues derived by the commissioner from the operation or lease of those facilities
92.2 and from the lease, sale, or other disposition of undeveloped lands at the Giants Ridge
92.3 Recreation Area must be deposited into an Iron Range Resources and Rehabilitation
92.4 Board account that is created within the state enterprise fund. All funds deposited in the
92.5 enterprise fund account are appropriated to the commissioner to be expended, subject
92.6 to approval ~~of a majority of the board,~~ by at least seven Iron Range Resources and
92.7 Rehabilitation Board members, as follows:

92.8 (1) to pay costs associated with the construction, equipping, operation, repair, or
92.9 improvement of the Giants Ridge Recreation Area facilities or lands;

92.10 (2) to pay principal, interest and associated bond issuance, reserve, and servicing
92.11 costs associated with the financing of the facilities; and

92.12 (3) to pay the costs of any other project authorized under section 298.22.

92.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.

92.14 Sec. 12. Minnesota Statutes 2008, section 298.2211, subdivision 3, is amended to read:

92.15 Subd. 3. **Project approval.** All projects authorized by this section shall be
92.16 submitted by the commissioner to the Iron Range Resources and Rehabilitation Board;
92.17 ~~which shall recommend approval or disapproval or modification of the projects for~~
92.18 approval by at least seven Iron Range Resources and Rehabilitation Board members.

92.19 Prior to the commencement of a project involving the exercise by the commissioner of
92.20 any authority of sections 469.174 to 469.179, the governing body of each municipality in
92.21 which any part of the project is located and the county board of any county containing
92.22 portions of the project not located in an incorporated area shall by majority vote approve
92.23 or disapprove the project. Any project, ~~as so approved by the board~~ at least seven Iron
92.24 Range Resources and Rehabilitation Board members and the applicable governing bodies,
92.25 if any, together with detailed information concerning the project, its costs, the sources of
92.26 its funding, and the amount of any bonded indebtedness to be incurred in connection
92.27 with the project, shall be transmitted to the governor, who shall approve, disapprove, or
92.28 return the proposal for additional consideration within 30 days of receipt. No project
92.29 authorized under this section shall be undertaken, and no obligations shall be issued and
92.30 no tax increments shall be expended for a project authorized under this section until the
92.31 project has been approved by the governor.

92.32 **EFFECTIVE DATE.** This section is effective the day following final enactment.

92.33 Sec. 13. Minnesota Statutes 2008, section 298.2213, subdivision 4, is amended to read:

93.1 Subd. 4. **Project approval.** The board and commissioner shall by August 1 each
93.2 year prepare a list of projects to be funded from the money appropriated in this section
93.3 with necessary supporting information including descriptions of the projects, plans, and
93.4 cost estimates. A project must not be approved by the board unless it finds that:

93.5 (1) the project will materially assist, directly or indirectly, the creation of additional
93.6 long-term employment opportunities;

93.7 (2) the prospective benefits of the expenditure exceed the anticipated costs; and

93.8 (3) in the case of assistance to private enterprise, the project will serve a sound
93.9 business purpose.

93.10 Each project must be approved by ~~a majority of the~~ at least seven Iron Range
93.11 Resources and Rehabilitation Board members and the commissioner of Iron Range
93.12 resources and rehabilitation. The list of projects must be submitted to the governor,
93.13 who shall, by November 15 of each year, approve, disapprove, or return for further
93.14 consideration, each project. The money for a project may be spent only upon approval of
93.15 the project by the governor. The board may submit supplemental projects for approval at
93.16 any time.

93.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.

93.18 Sec. 14. Minnesota Statutes 2008, section 298.2214, is amended by adding a
93.19 subdivision to read:

93.20 Subd. 6. **Per diem.** Members of the committee may be reimbursed for expenses
93.21 in the manner provided in section 298.22, subdivision 2.

93.22 **EFFECTIVE DATE.** This section is effective the day following final enactment.

93.23 Sec. 15. Minnesota Statutes 2008, section 298.223, is amended to read:

93.24 **298.223 TACONITE AREA ENVIRONMENTAL PROTECTION FUND.**

93.25 Subdivision 1. **Creation; purposes.** A fund called the taconite environmental
93.26 protection fund is created for the purpose of reclaiming, restoring and enhancing those
93.27 areas of northeast Minnesota located within the taconite assistance area defined in section
93.28 273.1341, that are adversely affected by the environmentally damaging operations
93.29 involved in mining taconite and iron ore and producing iron ore concentrate and for the
93.30 purpose of promoting the economic development of northeast Minnesota. The taconite
93.31 environmental protection fund shall be used for the following purposes:

- 94.1 (a) to initiate investigations into matters the Iron Range Resources and Rehabilitation
94.2 Board determines are in need of study and which will determine the environmental
94.3 problems requiring remedial action;
- 94.4 (b) reclamation, restoration, or reforestation of mine lands not otherwise provided
94.5 for by state law;
- 94.6 (c) local economic development projects but only if those projects are approved
94.7 by ~~the board~~, at least seven Iron Range Resources and Rehabilitation Board members,
94.8 and public works, including construction of sewer and water systems located within the
94.9 taconite assistance area defined in section 273.1341;
- 94.10 (d) monitoring of mineral industry related health problems among mining
94.11 employees;
- 94.12 (e) local public works projects under section 298.227, paragraph (c); and
94.13 (f) local public works projects as provided under this paragraph. The following
94.14 amounts shall be distributed in 2009:
- 94.15 (1) .4651 cent per ton to the city of Aurora for street repair and renovation;
94.16 (2) .4264 cent per ton to the city of Biwabik for street and utility infrastructure
94.17 improvements to the south side industrial site;
- 94.18 (3) .6460 cent per ton to the city of Buhl for street repair;
94.19 (4) 1.0336 cents per ton to the city of Hoyt Lakes for public utility improvements;
94.20 (5) 1.1628 cents per ton to the city of Eveleth for water and sewer infrastructure
94.21 upgrades;
- 94.22 (6) 1.0336 cents per ton to the city of Gilbert for water and sewer infrastructure
94.23 upgrades;
- 94.24 (7) .7752 cent per ton to the city of Mountain Iron for water and sewer infrastructure;
94.25 (8) 1.2920 cents per ton to the city of Virginia for utility upgrades and accessibility
94.26 modifications for the miners' memorial;
- 94.27 (9) .6460 cent per ton to the town of White for Highway 135 road upgrades;
94.28 (10) 1.9380 cents per ton to the city of Hibbing for public infrastructure projects;
94.29 (11) 1.1628 cents per ton to the city of Chisholm for water and sewer repair;
94.30 (12) .6460 cent per ton to the town of Balkan for community center repairs;
94.31 (13) .9044 cent per ton to the city of Babbitt for city garage construction;
94.32 (14) .5168 cent per ton to the city of Cook for replacement of a water tower;
94.33 (15) .5168 cent per ton to the city of Ely for reconstruction of 2nd Avenue West;
94.34 (16) .6460 cent per ton to the city of Tower for water infrastructure upgrades;
94.35 (17) .1292 cent per ton to the city of Orr for water infrastructure upgrades;
94.36 (18) .1292 cent per ton to the city of Silver Bay for emergency cleanup;

- 95.1 (19) .3230 cent per ton to Lake County for trail construction;
95.2 (20) .1292 cent per ton to Cook County for construction of tennis courts in Grand
95.3 Marais;
95.4 (21) .3101 cent per ton to the city of Two Harbors for water infrastructure
95.5 improvements;
95.6 (22) .1938 cent per ton for land acquisition for phase one of Cook Airport project;
95.7 (23) 1.0336 cents per ton to the city of Coleraine for water and sewer improvements
95.8 along Gayley Avenue;
95.9 (24) .3876 cent per ton to the city of Marble for construction of a city administration
95.10 facility;
95.11 (25) .1292 cent per ton to the city of Calumet for repairs at city hall and the
95.12 community center;
95.13 (26) .6460 cent per ton to the city of Nashwauk for electrical infrastructure upgrades;
95.14 (27) 1.0336 cents per ton to the city of Keewatin for water and sewer upgrades
95.15 along Depot Street;
95.16 (28) .2584 cent per ton to the city of Aitkin for water, sewer, street, and gutter
95.17 improvements;
95.18 (29) 1.1628 cents per ton to the city of Grand Rapids for water and sewer
95.19 infrastructure upgrades at Pokegema Golf Course and Park Place;
95.20 (30) .1809 cent per ton to the city of Grand Rapids for water and sewer upgrades for
95.21 1st Avenue from River Road to 3rd Street SE; and
95.22 (31) .9044 cent per ton to the city of Cohasset for upgrades to the railroad crossing at
95.23 Highway 2 and County Road 62.

95.24 Subd. 2. **Administration.** (a) The taconite area environmental protection fund shall
95.25 be administered by the commissioner of the Iron Range Resources and Rehabilitation
95.26 Board. The commissioner shall by September 1 of each year submit to the board a list
95.27 of projects to be funded from the taconite area environmental protection fund, with such
95.28 supporting information including description of the projects, plans, and cost estimates as
95.29 may be necessary.

95.30 (b) Each year no less than one-half of the amounts deposited into the taconite
95.31 environmental protection fund must be used for public works projects, including
95.32 construction of sewer and water systems, as specified under subdivision 1, paragraph (c).
95.33 The Iron Range Resources and Rehabilitation Board with ~~a majority vote of the members,~~
95.34 approval by at least seven Iron Range Resources and Rehabilitation Board members, may
95.35 waive the requirements of this paragraph.

(c) Upon approval by ~~a majority of the members of the Iron Range Resources and Rehabilitation Board~~, at least seven Iron Range Resources and Rehabilitation Board members, the list of projects approved under this subdivision shall be submitted to the governor by November 1 of each year. By December 1 of each year, the governor shall approve or disapprove, or return for further consideration, each project. Funds for a project may be expended only upon approval of the project by ~~the board~~ at least seven Iron Range Resources and Rehabilitation Board members, and governor. The commissioner may submit supplemental projects to the board and governor for approval at any time.

Subd. 3. **Appropriation.** There is annually appropriated to the commissioner of Iron Range resources and rehabilitation taconite area environmental protection funds necessary to carry out approved projects and programs and the funds necessary for administration of this section. Annual administrative costs, not including detailed engineering expenses for the projects, shall not exceed five percent of the amount annually expended from the fund.

Funds for the purposes of this section are provided by section 298.28, subdivision 11, relating to the taconite area environmental protection fund.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 16. Minnesota Statutes 2008, section 298.227, is amended to read:

298.227 TACONITE ECONOMIC DEVELOPMENT FUND.

(a) An amount equal to that distributed pursuant to each taconite producer's taxable production and qualifying sales under section 298.28, subdivision 9a, shall be held by the Iron Range Resources and Rehabilitation Board in a separate taconite economic development fund for each taconite and direct reduced ore producer. Money from the fund for each producer shall be released by the commissioner after review by a joint committee consisting of an equal number of representatives of the salaried employees and the nonsalaried production and maintenance employees of that producer. The District 11 director of the United States Steelworkers of America, on advice of each local employee president, shall select the employee members. In nonorganized operations, the employee committee shall be elected by the nonsalaried production and maintenance employees. The review must be completed no later than six months after the producer presents a proposal for expenditure of the funds to the committee. The funds held pursuant to this section may be released only for workforce development and associated public facility improvement, or for acquisition of plant and stationary mining equipment and facilities for the producer or for research and development in Minnesota on new mining, or taconite, iron, or steel production technology, but only if the producer provides a matching

97.1 expenditure to be used for the same purpose of at least 50 percent of the distribution based
97.2 on 14.7 cents per ton beginning with distributions in 2002. Effective for proposals for
97.3 expenditures of money from the fund beginning May 26, 2007, the commissioner may
97.4 not release the funds before the next scheduled meeting of the board. ~~If the board rejects~~
97.5 a proposed expenditure is not approved by at least seven Iron Range Resources and
97.6 Rehabilitation Board members, the funds must be deposited in the Taconite Environmental
97.7 Protection Fund under sections 298.222 to 298.225. If a producer uses money which has
97.8 been released from the fund prior to May 26, 2007 to procure haulage trucks, mobile
97.9 equipment, or mining shovels, and the producer removes the piece of equipment from the
97.10 taconite tax relief area defined in section 273.134 within ten years from the date of receipt
97.11 of the money from the fund, a portion of the money granted from the fund must be repaid
97.12 to the taconite economic development fund. The portion of the money to be repaid is 100
97.13 percent of the grant if the equipment is removed from the taconite tax relief area within 12
97.14 months after receipt of the money from the fund, declining by ten percent for each of the
97.15 subsequent nine years during which the equipment remains within the taconite tax relief
97.16 area. If a taconite production facility is sold after operations at the facility had ceased, any
97.17 money remaining in the fund for the former producer may be released to the purchaser of
97.18 the facility on the terms otherwise applicable to the former producer under this section. If
97.19 a producer fails to provide matching funds for a proposed expenditure within six months
97.20 after the commissioner approves release of the funds, the funds are available for release to
97.21 another producer in proportion to the distribution provided and under the conditions of
97.22 this section. Any portion of the fund which is not released by the commissioner within
97.23 one year of its deposit in the fund shall be divided between the taconite environmental
97.24 protection fund created in section 298.223 and the Douglas J. Johnson economic protection
97.25 trust fund created in section 298.292 for placement in their respective special accounts.
97.26 Two-thirds of the unreleased funds shall be distributed to the taconite environmental
97.27 protection fund and one-third to the Douglas J. Johnson economic protection trust fund.

97.28 (b) (1) Notwithstanding the requirements of paragraph (a), setting the amount of
97.29 distributions and the review process, an amount equal to ten cents per taxable ton of
97.30 production in 2007, for distribution in 2008 only, that would otherwise be distributed
97.31 under paragraph (a), may be used for a loan for the cost of construction of a biomass
97.32 energy facility. This amount must be deducted from the distribution under paragraph (a)
97.33 for which a matching expenditure by the producer is not required. The granting of the loan
97.34 is subject to approval by ~~the Iron Range Resources and Rehabilitation Board~~ at least seven
97.35 Iron Range Resources and Rehabilitation Board members; interest must be payable on the
97.36 loan at the rate prescribed in section 298.2213, subdivision 3.

(2) Repayments of the loan and interest must be deposited in the ~~northeast Minnesota economic development~~ taconite environment protection fund established in section 298.2213 under sections 298.222 through 298.225. If a loan is not made under this paragraph by July 1, 2009, the amount that had been made available for the loan under this paragraph must be transferred to the ~~northeast Minnesota economic development~~ taconite environment protection fund under sections 298.222 through 298.225.

(3) Money distributed in 2008 to the fund established under this section that exceeds ten cents per ton is available to qualifying producers under paragraph (a) on a pro rata basis.

If 2008 H.F. No. 1812 is enacted and includes a provision that amends this section in a manner that is different from the amendment in this section, the amendment in this section supersedes the amendment in 2008 H.F. No. 1812, notwithstanding section 645.26.

(c) Repayment or transfer of money to the taconite environmental protection fund under paragraph (b), clause (2) must be allocated by the Iron Range Resources and Rehabilitation Board for public works projects in house legislative districts in the same proportion as taxable tonnage of production in 2007 in each house legislative district, for distribution in 2008, bears to total taxable tonnage of production in 2007, for distribution in 2008. Notwithstanding any other law to the contrary, expenditures under this paragraph do not require approval by the governor. For purposes of this paragraph, house legislative districts mean the legislative districts in existence on the effective date of this section.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 17. Minnesota Statutes 2008, section 298.28, subdivision 9d, is amended to read:

Subd. 9d. **Iron Range higher education account.** Five cents per taxable ton must be allocated to the Iron Range Resources and Rehabilitation Board to be deposited in an Iron Range higher education account that is hereby created, to be used for higher education programs conducted at educational institutions in the taconite assistance area defined in section 273.1341. The Iron Range Higher Education committee under section 298.2214₂ and the Iron Range Resources and Rehabilitation Board by an affirmative vote of at least seven Iron Range Resources and Rehabilitation Board members, must approve all expenditures from the account.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 18. Minnesota Statutes 2008, section 298.292, subdivision 2, is amended to read:

Subd. 2. **Use of money.** Money in the Douglas J. Johnson economic protection trust fund may be used for the following purposes:

(1) to provide loans, loan guarantees, interest buy-downs and other forms of participation with private sources of financing, but a loan to a private enterprise shall be for a principal amount not to exceed one-half of the cost of the project for which financing is sought, and the rate of interest on a loan to a private enterprise shall be no less than the lesser of eight percent or an interest rate three percentage points less than a full faith and credit obligation of the United States government of comparable maturity, at the time that the loan is approved;

(2) to fund reserve accounts established to secure the payment when due of the principal of and interest on bonds issued pursuant to section 298.2211;

(3) to pay in periodic payments or in a lump-sum payment any or all of the interest on bonds issued pursuant to chapter 474 for the purpose of constructing, converting, or retrofitting heating facilities in connection with district heating systems or systems utilizing alternative energy sources;

(4) to invest in a venture capital fund or enterprise that will provide capital to other entities that are engaging in, or that will engage in, projects or programs that have the purposes set forth in subdivision 1. No investments may be made in a venture capital fund or enterprise unless at least two other unrelated investors make investments of at least \$500,000 in the venture capital fund or enterprise, and the investment by the Douglas J. Johnson economic protection trust fund may not exceed the amount of the largest investment by an unrelated investor in the venture capital fund or enterprise. For purposes of this subdivision, an "unrelated investor" is a person or entity that is not related to the entity in which the investment is made or to any individual who owns more than 40 percent of the value of the entity, in any of the following relationships: spouse, parent, child, sibling, employee, or owner of an interest in the entity that exceeds ten percent of the value of all interests in it. For purposes of determining the limitations under this clause, the amount of investments made by an investor other than the Douglas J. Johnson economic protection trust fund is the sum of all investments made in the venture capital fund or enterprise during the period beginning one year before the date of the investment by the Douglas J. Johnson economic protection trust fund; and

(5) to purchase forest land in the taconite assistance area defined in section 273.1341 to be held and managed as a public trust for the benefit of the area for the purposes authorized in section 298.22, subdivision 5a. Property purchased under this section may be sold by the commissioner upon approval ~~by a majority vote of the board~~ by at least

100.1 seven Iron Range Resources and Rehabilitation Board members. The net proceeds must
100.2 be deposited in the trust fund for the purposes and uses of this section.

100.3 Money from the trust fund shall be expended only in or for the benefit of the taconite
100.4 assistance area defined in section 273.1341.

100.5 **EFFECTIVE DATE.** This section is effective the day following final enactment.

100.6 Sec. 19. **[298.2931] TRANSFER OF FUNDS.**

100.7 The amount deposited in the fund in 2009 in repayment of a loan for the Mesaba
100.8 Nugget project at the Erie Mining site in Hoyt Lakes shall be transferred to the taconite
100.9 environmental protection fund and deposited in a special account to be used as provided
100.10 under section 298.223, subdivision 1, paragraph (f).

100.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

100.12 Sec. 20. Minnesota Statutes 2008, section 298.294, is amended to read:

100.13 **298.294 INVESTMENT OF FUND.**

100.14 (a) The trust fund established by section 298.292 shall be invested pursuant to law
100.15 by the State Board of Investment and the net interest, dividends, and other earnings arising
100.16 from the investments shall be transferred, except as provided in paragraph (b), on the first
100.17 day of each month to the trust and shall be included and become part of the trust fund.
100.18 The amounts transferred, including the interest, dividends, and other earnings earned
100.19 prior to July 13, 1982, together with the additional amount of \$10,000,000 for fiscal year
100.20 1983, which is appropriated April 21, 1983, are appropriated from the trust fund to the
100.21 commissioner of Iron Range resources and rehabilitation for deposit in a separate account
100.22 for expenditure for the purposes set forth in section 298.292. Amounts appropriated
100.23 pursuant to this section shall not cancel but shall remain available unless expended.

100.24 (b) For fiscal years 2010 and 2011 only, \$1,000,000 of the net interest, dividends
100.25 and other earnings under paragraph (a) shall be transferred to a special account. Funds in
100.26 the special account are available for loans or grants to businesses with priority given to
100.27 businesses with 25 or fewer employees. Funds may be used for wage subsidies of up to
100.28 \$5 per hour or other activities that will create additional jobs in the taconite assistance
100.29 area under section 273.1341. To qualify for a grant or loan, a business must be currently
100.30 operating, have been operating for one year immediately prior to its application for a loan
100.31 or grant, and its corporate headquarters must be located in the taconite assistance area.
100.32 Expenditures from the special account must be approved by at least seven Iron Range
100.33 Resources and Rehabilitation Board members.

101.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

101.2 Sec. 21. Minnesota Statutes 2008, section 298.296, subdivision 2, is amended to read:

101.3 Subd. 2. **Expenditure of funds.** (a) Before January 1, 2028, funds may be expended
101.4 on projects and for administration of the trust fund only from the net interest, earnings,
101.5 and dividends arising from the investment of the trust at any time, including net interest,
101.6 earnings, and dividends that have arisen prior to July 13, 1982, plus \$10,000,000 made
101.7 available for use in fiscal year 1983, except that any amount required to be paid out of the
101.8 trust fund to provide the property tax relief specified in Laws 1977, chapter 423, article
101.9 X, section 4, and to make school bond payments and payments to recipients of taconite
101.10 production tax proceeds pursuant to section 298.225, may be taken from the corpus of
101.11 the trust.

101.12 (b) Additionally, upon recommendation by the board, up to \$13,000,000 from the
101.13 corpus of the trust may be made available for use as provided in subdivision 4, and up to
101.14 \$10,000,000 from the corpus of the trust may be made available for use as provided in
101.15 section 298.2961.

101.16 (c) Additionally, an amount equal to 20 percent of the value of the corpus of the trust
101.17 on May 18, 2002, not including the funds authorized in paragraph (b), plus the amounts
101.18 made available under section 298.28, subdivision 4, and Laws 2002, chapter 377, article
101.19 8, section 17, may be expended on projects. Funds may be expended for projects under
101.20 this paragraph only if the project:

101.21 (1) is for the purposes established under section 298.292, subdivision 1, clause
101.22 (1) or (2); and

101.23 (2) is approved by the board upon an affirmative vote of at least ten of its members.

101.24 No money made available under this paragraph or paragraph (d) can be used for
101.25 administrative or operating expenses of the Iron Range Resources and Rehabilitation
101.26 Board or expenses relating to any facilities owned or operated by the board on May 18,
101.27 2002.

101.28 (d) Upon recommendation by a unanimous vote of all members of the board,
101.29 amounts in addition to those authorized under paragraphs (a), (b), and (c) may be
101.30 expended on projects described in section 298.292, subdivision 1.

101.31 (e) Annual administrative costs, not including detailed engineering expenses for the
101.32 projects, shall not exceed five percent of the net interest, dividends, and earnings arising
101.33 from the trust in the preceding fiscal year.

101.34 (f) Principal and interest received in repayment of loans made pursuant to this
101.35 section, and earnings on other investments made under section 298.292, subdivision 2,

102.1 clause (4), shall be deposited in the state treasury and credited to the trust. These receipts
102.2 are appropriated to the board for the purposes of sections 298.291 to 298.298.

102.3 (g) Additionally, notwithstanding section 298.293, upon the affirmative vote
102.4 ~~of a majority of the members of the board,~~ of at least seven Iron Range Resources and
102.5 Rehabilitation Board members, money from the corpus of the trust may be expanded to
102.6 purchase forest lands within the taconite assistance area as provided in sections 298.22,
102.7 subdivision 5a, and 298.292, subdivision 2, clause (5).

102.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.

102.9 Sec. 22. Minnesota Statutes 2008, section 298.2961, is amended to read:

102.10 **298.2961 PRODUCER GRANTS.**

102.11 Subdivision 1. **Appropriation.** (a) \$10,000,000 is appropriated from the Douglas
102.12 J. Johnson economic protection trust fund to a special account in the taconite area
102.13 environmental protection fund for grants to producers on a project-by-project basis as
102.14 provided in this section.

102.15 (b) The proceeds of the tax designated under section 298.28, subdivision 9b, are
102.16 appropriated for grants to producers on a project-by-project basis as provided in this
102.17 section.

102.18 Subd. 2. **Projects; approval.** (a) Projects funded must be for:

102.19 (1) environmentally unique reclamation projects; or

102.20 (2) pit or plant repairs, expansions, or modernizations other than for a value added
102.21 iron products plant.

102.22 (b) To be proposed by the board, a project must be approved by at least eight Iron
102.23 Range Resources and Rehabilitation Board members. The money for a project may
102.24 be spent only upon approval of the project by the governor. The board may submit
102.25 supplemental projects for approval at any time.

102.26 (c) The board may require that it receive an equity percentage in any project to
102.27 which it contributes under this section.

102.28 Subd. 3. **Redistribution.** (a) If a taconite production facility is sold after operations
102.29 at the facility had ceased, any money remaining in the taconite environmental fund for the
102.30 former producer may be released to the purchaser of the facility on the terms otherwise
102.31 applicable to the former producer under this section.

102.32 (b) Any portion of the taconite environmental fund that is not released by the
102.33 commissioner within three years of its deposit in the taconite environmental fund shall be
102.34 divided between the taconite environmental protection fund created in section 298.223

and the Douglas J. Johnson economic protection trust fund created in section 298.292 for placement in their respective special accounts. Two-thirds of the unreleased funds must be distributed to the taconite environmental protection fund and one-third to the Douglas J. Johnson economic protection trust fund.

Subd. 4. **Grant and loan fund.** (a) A fund is established to receive distributions under section 298.28, subdivision 9b, and to make grants or loans as provided in this subdivision. Any grant or loan made under this subdivision must be approved by ~~a majority of the members of the Iron Range Resources and Rehabilitation Board~~, at least seven Iron Range Resources and Rehabilitation Board members, established under section 298.22.

(b) Distributions received in calendar year 2005 are allocated to the city of Virginia for improvements and repairs to the city's steam heating system.

(c) Distributions received in calendar year 2006 are allocated to a project of the public utilities commissions of the cities of Hibbing and Virginia to convert their electrical generating plants to the use of biomass products, such as wood.

(d) Distributions received in calendar year 2007 must be paid to the city of Tower to be used for the East Two Rivers project in or near the city of Tower.

(e) For distributions received in 2008, the first \$2,000,000 of the 2008 distribution must be paid to St. Louis County for deposit in its county road and bridge fund to be used for relocation of St. Louis County Road 715, commonly referred to as Pike River Road. The remainder of the 2008 distribution must be paid to St. Louis County for a grant to the city of Virginia for connecting sewer and water lines to the St. Louis County maintenance garage on Highway 135, further extending the lines to interconnect with the city of Gilbert's sewer and water lines. All distributions received in 2009 and subsequent years are allocated for projects under section 298.223, subdivision 1.

Subd. 5. **Public works and local economic development fund.** For distributions in 2007 only, a special fund is established to receive 38.4 cents per ton that otherwise would be allocated under section 298.28, subdivision 6. The following amounts are allocated to St. Louis County acting as the fiscal agent for the recipients for the specific purposes:

(1) 13.4 cents per ton for the Central Iron Range Sanitary Sewer District for construction of a combined wastewater facility and notwithstanding section 298.28, subdivision 11, paragraph (a), or any other law, interest accrued on this money while held by St. Louis County shall also be distributed to the recipient;

(2) six cents per ton to the city of Eveleth to redesign and design and construct improvements to renovate its water treatment facility;

(3) one cent per ton for the East Range Joint Powers Board to acquire land for and to design a central wastewater collection and treatment system;

104.1 (4) 0.5 cents per ton to the city of Hoyt Lakes to repair Leeds Road;
104.2 (5) 0.7 cents per ton to the city of Virginia to extend Eighth Street South;
104.3 (6) 0.7 cents per ton to the city of Mountain Iron to repair Hoover Road;
104.4 (7) 0.9 cents per ton to the city of Gilbert for alley repairs between Michigan and
104.5 Indiana Avenues and for repayment of a loan to the Minnesota Department of Employment
104.6 and Economic Development;
104.7 (8) 0.4 cents per ton to the city of Keewatin for a new city well;
104.8 (9) 0.3 cents per ton to the city of Grand Rapids for planning for a fire and hazardous
104.9 materials center;
104.10 (10) 0.9 cents per ton to Aitkin County Growth for an economic development
104.11 project for peat harvesting;
104.12 (11) 0.4 cents per ton to the city of Nashwauk to develop a comprehensive city plan;
104.13 (12) 0.4 cents per ton to the city of Taconite for development of a city comprehensive
104.14 plan;
104.15 (13) 0.3 cents per ton to the city of Marble for water and sewer infrastructure;
104.16 (14) 0.8 cents per ton to Aitkin County for improvements to the Long Lake
104.17 Environmental Learning Center;
104.18 (15) 0.3 cents per ton to the city of Coleraine for the Coleraine Technology Center;
104.19 (16) 0.5 cents per ton to the Economic Development Authority of the city of Grand
104.20 Rapids for planning for the North Central Research and Technology Laboratory;
104.21 (17) 0.6 cents per ton to the city of Bovey for sewer and water extension;
104.22 (18) 0.3 cents per ton to the city of Calumet for infrastructure improvements; and
104.23 (19) ten cents per ton to the commissioner of Iron Range Resources and
104.24 Rehabilitation for deposit in a Highway 1 Corridor Account established by the
104.25 commissioner, to be distributed by the commissioner to any of the cities of Babbitt, Cook,
104.26 Ely, or Tower, for economic development projects approved by ~~the Iron Range Resources~~
104.27 ~~and Rehabilitation Board~~ at least seven Iron Range Resources and Rehabilitation Board
104.28 members; notwithstanding section 298.28, subdivision 11, paragraph (a), or any other law,
104.29 interest accrued on this money while held by St. Louis County or the commissioner
104.30 shall also be distributed to the recipient.

104.31 Subd. 6. **Renewable energy.** For distributions in 2009 only, a special account is
104.32 established in the taconite environmental protection fund to receive 15.5 cents per ton that
104.33 otherwise would be allocated under section 298.28, subdivision 6. The funds are available
104.34 for cooperative projects between the Iron Range Resources and Rehabilitation Board and
104.35 local governments for renewable energy initiatives.

104.36 **EFFECTIVE DATE.** This section is effective the day following final enactment.

ARTICLE 7

MISCELLANEOUS PROVISIONS

Section 1. Minnesota Statutes 2008, section 45.027, subdivision 1, is amended to read:

Subdivision 1. **General powers.** In connection with the duties and responsibilities entrusted to the commissioner, and Laws 1993, chapter 361, section 2, the commissioner of commerce may:

(1) make public or private investigations within or without this state as the commissioner considers necessary to determine whether any person has violated or is about to violate any law, rule, or order related to the duties and responsibilities entrusted to the commissioner;

(2) require or permit any person to file a statement in writing, under oath or otherwise as the commissioner determines, as to all the facts and circumstances concerning the matter being investigated;

(3) hold hearings, upon reasonable notice, in respect to any matter arising out of the duties and responsibilities entrusted to the commissioner;

(4) conduct investigations and hold hearings for the purpose of compiling information related to the duties and responsibilities entrusted to the commissioner;

(5) examine the books, accounts, records, and files of every licensee, and of every person who is engaged in any activity regulated; the commissioner or a designated representative shall have free access during normal business hours to the offices and places of business of the person, and to all books, accounts, papers, records, files, safes, and vaults maintained in the place of business;

(6) publish information which is contained in any order issued by the commissioner; ~~and~~

(7) require any person subject to duties and responsibilities entrusted to the commissioner, to report all sales or transactions that are regulated. The reports must be made within ten days after the commissioner has ordered the report. The report is accessible only to the respondent and other governmental agencies unless otherwise ordered by a court of competent jurisdiction; and

(8) assess a licensee the necessary expenses of the investigation performed by the department when an investigation is made by order of the commissioner. The cost of the investigation shall be determined by the commissioner and is based on the salary cost of investigators or assistants and at an average rate per day or fraction thereof so as to provide for the total cost of the investigations. All money collected must be deposited into

106.1 the general fund. A natural person licensed under chapter 60K or 82 shall not be charged
106.2 costs of an investigation if the investigation results in no finding of a violation.

106.3 Sec. 2. Minnesota Statutes 2008, section 60A.315, subdivision 6, is amended to read:

106.4 Subd. 6. **Audits; penalties.** The commissioner is authorized to conduct audits
106.5 and investigations under section 45.027 ~~and this chapter~~ to determine if the insurers are
106.6 complying with Minnesota law in the issuance of policies described under ~~this section~~
106.7 sections 61A.02, 61A.072, and 70A.06. If the policy filings contain provisions that are
106.8 inconsistent with or violate Minnesota law, the commissioner may take action against the
106.9 insurer under section 45.027. The commissioner shall assess the insurer for the costs of
106.10 the investigation performed by the department and shall deposit all such assessments into
106.11 the revolving fund established under section 60A.03.

106.12 Sec. 3. Minnesota Statutes 2008, section 61A.02, subdivision 2, is amended to read:

106.13 Subd. 2. **Approval required.** (a) Except as otherwise authorized pursuant to
106.14 subdivision 2a, ~~no policy or certificate of life insurance or annuity contract, issued to an~~
106.15 ~~individual, group, or multiple employer trust, nor any rider of any kind or description~~
106.16 ~~which is made a part thereof shall be issued or delivered in this state, or be issued by a life~~
106.17 ~~insurance company organized under the laws of this state, until the form of the same has~~
106.18 ~~been approved by the commissioner. In making a determination under this section, the~~
106.19 ~~commissioner may require the insurer to provide rates and advertising materials related to~~
106.20 ~~policies or contracts, certificates, or similar evidence of coverage issued or delivered in~~
106.21 ~~this state.~~

106.22 (b) Subdivisions 1 to 5 apply to a policy, certificate of insurance, or similar evidence
106.23 of coverage issued to a Minnesota resident or issued to provide coverage to a Minnesota
106.24 resident. Subdivisions 1 to 5 do not apply to a certificate of insurance or similar evidence
106.25 of coverage that meets the conditions of section 61A.093, subdivision 2.

106.26 (c) No policy or certificate of life insurance issued to an individual, group, or
106.27 multiple employer trust, nor any rider of any kind or description that is made a part
106.28 thereof shall be issued or delivered in this state, or be issued by a life insurance company
106.29 organized under the laws of this state, until the form of the same has been filed with the
106.30 commissioner. Subdivisions 2a to 5 do not apply to these policies, certificates, and riders.

106.31 Sec. 4. Minnesota Statutes 2008, section 61A.02, subdivision 2a, is amended to read:

106.32 Subd. 2a. **Expedited procedure for ~~life or annuity contracts; form and rate~~**
106.33 **filing reviews.** (a) An insurer may file ~~a life or an~~ an annuity contract, rates, or forms and all

related riders of any kind or description with the commissioner for a review under this subdivision. Any review must be completed within 60 days of receipt of a completed filing. The cost of any actuarial review must be paid by the insurer submitting the filing under this subdivision.

(b) If a filing has been disapproved and is resubmitted, the cover letter must note the disapproval and any changes made since the earlier filing, with an explanation of why the new filing should be approved. Resubmission of disapproved forms should, where possible, be made within 90 days of disapproval.

(c) The filer may request a hearing within ten days of receiving a final disapproval. Within 20 days of the receipt of the request, the commissioner shall schedule a date for the hearing, which must occur within 30 days of the scheduling. At least ten days' written notice of the hearing must be given to all interested parties. All hearings must be conducted in accordance with chapter 14.

(d) The hearing officer may order a prehearing conference for the resolution or simplification of issues, to be held no less than three days before the scheduled date of a hearing.

(e) All actuaries used by the commissioner to review filings submitted by insurers pursuant to this subdivision, whether employed by the department or secured by contract, must be members of the American Academy of Actuaries. The commissioner may contract with actuaries to review filings submitted by insurers under this subdivision, and shall assess the applicant for the costs of this review. Payments received by the commissioner under this subdivision shall be deposited in the revolving fund established under section 60A.03.

(f) Except for the change in timing for the review of completed filings found in paragraph (a) and the expedited hearing procedures found in paragraph (c), nothing in this subdivision shall be construed as changing the statutory and regulatory standards for approval or disapproval of filings.

Sec. 5. Minnesota Statutes 2008, section 61A.072, subdivision 11, is amended to read:

Subd. 11. **Filing requirement.** The filing ~~and prior approval~~ of forms containing an accelerated benefit is required prior to issuance or delivery in this state.

Sec. 6. Minnesota Statutes 2008, section 70A.06, subdivision 2, is amended to read:

Subd. 2. **Policy form filings.** ~~No policy form shall be delivered or issued for delivery unless it has been filed with the commissioner and either (i) the commissioner has approved it or (ii) 60 days have elapsed and the commissioner has not disapproved~~

108.1 ~~it as misleading or violative of public policy, which period may be extended by the~~
108.2 ~~commissioner for an additional period not to exceed 60 days.~~ Every licensed insurer
108.3 and every rate service organization licensed under section 70A.14 shall file with the
108.4 commissioner all forms and all changes and amendments of forms made by it for use in
108.5 this state not later than their effective date. No forms contained in a filing shall become
108.6 effective unless they have been filed with the commissioner.

108.7 Sec. 7. Minnesota Statutes 2008, section 115C.08, subdivision 4, is amended to read:

108.8 Subd. 4. **Expenditures.** (a) Money in the fund may only be spent:

108.9 (1) to administer the petroleum tank release cleanup program established in this
108.10 chapter;

108.11 (2) for agency administrative costs under sections 116.46 to 116.50, sections
108.12 115C.03 to 115C.06, and costs of corrective action taken by the agency under section
108.13 115C.03, including investigations;

108.14 (3) for costs of recovering expenses of corrective actions under section 115C.04;

108.15 (4) for training, certification, and rulemaking under sections 116.46 to 116.50;

108.16 (5) for agency administrative costs of enforcing rules governing the construction,
108.17 installation, operation, and closure of aboveground and underground petroleum storage
108.18 tanks;

108.19 (6) for reimbursement of the environmental response, compensation, and compliance
108.20 account under subdivision 5 and section 115B.26, subdivision 4;

108.21 (7) for administrative and staff costs as set by the board to administer the petroleum
108.22 tank release program established in this chapter;

108.23 (8) for corrective action performance audits under section 115C.093;

108.24 (9) for contamination cleanup grants, as provided in paragraph (c); and

108.25 (10) to assess and remove abandoned underground storage tanks under section
108.26 115C.094 and, if a release is discovered, to pay for the specific consultant and contractor
108.27 services costs necessary to complete the tank removal project, including, but not limited
108.28 to, excavation soil sampling, groundwater sampling, soil disposal, and completion of an
108.29 excavation report.

108.30 (b) Except as provided in paragraph (c), money in the fund is appropriated to the
108.31 board to make reimbursements or payments under this section.

108.32 (c) \$6,200,000 is annually appropriated from the fund to the commissioner of
108.33 employment and economic development for contamination cleanup grants under section
108.34 116J.554. Of this amount, the commissioner may spend up to \$180,000 annually for
108.35 administration of the contamination cleanup grant program. The appropriation does not

109.1 cancel and is available until expended. The appropriation shall not be withdrawn from
109.2 the fund nor the fund balance reduced until the funds are requested by the commissioner
109.3 of employment and economic development. The commissioner shall schedule requests
109.4 for withdrawals from the fund to minimize the necessity to impose the fee authorized by
109.5 subdivision 2. Unless otherwise provided, the appropriation in this paragraph may be
109.6 used for:

109.7 (1) project costs at a qualifying site if a portion of the cleanup costs are attributable
109.8 to petroleum contamination or new and used tar and tar-like substances, including but not
109.9 limited to bitumen and asphalt, but excluding bituminous or asphalt pavement, that consist
109.10 primarily of hydrocarbons and are found in natural deposits in the earth or are distillates,
109.11 fractions, or residues from the processing of petroleum crude or petroleum products as
109.12 defined in section 296A.01; and

109.13 (2) the costs of performing contamination investigation if there is a reasonable basis
109.14 to suspect the contamination is attributable to petroleum or new and used tar and tar-like
109.15 substances, including but not limited to bitumen and asphalt, but excluding bituminous or
109.16 asphalt pavement, that consist primarily of hydrocarbons and are found in natural deposits
109.17 in the earth or are distillates, fractions, or residues from the processing of petroleum crude
109.18 or petroleum products as defined in section 296A.01.

109.19 Sec. 8. Minnesota Statutes 2008, section 116J.035, subdivision 1, is amended to read:

109.20 Subdivision 1. **Powers.** (a) The commissioner may:

109.21 (1) apply for, receive, and expend money from municipal, county, regional, and
109.22 other government agencies;

109.23 (2) apply for, accept, and disburse grants and other aids from other public or private
109.24 sources;

109.25 (3) contract for professional services if such work or services cannot be satisfactorily
109.26 performed by employees of the department or by any other state agency;

109.27 (4) enter into interstate compacts to jointly carry out such research and planning with
109.28 other states or the federal government where appropriate;

109.29 (5) distribute informational material at no cost to the public upon reasonable request;
109.30 and

109.31 (6) enter into contracts necessary for the performance of the commissioner's duties
109.32 with federal, state, regional, metropolitan, local, and other agencies or units of government;
109.33 educational institutions, including the University of Minnesota. Contracts made pursuant
109.34 to this section shall not be subject to the competitive bidding requirements of chapter 16C.

(b) The commissioner may apply for, receive, and expend money made available from federal or other sources for the purpose of carrying out the duties and responsibilities of the commissioner pursuant to this chapter.

(c) All moneys received by the commissioner pursuant to this chapter shall be deposited in the state treasury and, subject to section 3.3005, are appropriated to the commissioner for the purpose for which the moneys have been received. The money shall not cancel and shall be available until expended.

Sec. 9. Minnesota Statutes 2008, section 116J.551, subdivision 1, is amended to read:

Subdivision 1. **Grant account.** A contaminated site cleanup and development grant account is created in the general fund. Money in the account may be used, ~~as appropriated by law~~, to make grants as provided in section 116J.554 and to pay for the commissioner's costs in reviewing applications and making grants. Notwithstanding section 16A.28, money appropriated to the ~~account~~ commissioner for this program from any source is available until spent.

Sec. 10. **[116J.6581] MINNESOTA SCIENCE AND TECHNOLOGY ECONOMIC DEVELOPMENT PROJECT.**

(a) The commissioner of employment and economic development shall lead a public-private project with science and technology experts from public, academic, and private sectors to advise state agency collaboration to design, coordinate, and administer a strategic science and technology program for the state designed to promote the welfare of the people of the state, maximize the economic growth of the state, and create and retain jobs in the state's industrial base through enhancement of Minnesota's:

(1) high technology research and development capabilities;

(2) product and process innovation and commercialization;

(3) high technology manufacturing capabilities;

(4) science and technology business environment; and

(5) science and technology workforce preparation.

(b) Project membership shall consist of science and technology experts from public, academic, and private sectors. A member must have a background in science or technology in order to serve on the project. The project members shall consist of at least 13 members as follows:

(1) a representative of the University of Minnesota;

(2) a representative of Minnesota State Colleges and Universities;

(3) the chief executive officer of Mayo Clinic or a designee; and

111.1 (4) six chief executive officers or designees from science- or technology-oriented
111.2 companies and four representatives from science- and technology-oriented trade
111.3 organizations.

111.4 (c) The commissioner of employment and economic development must report
111.5 by January 15, 2010, to the legislative committees having jurisdiction over science
111.6 and technology and economic development policy and finance on the activities of the
111.7 project and must recommend changes or additions to its organization, including specific
111.8 recommendations for necessary legislation.

111.9 Sec. 11. **[116J.997] PROGRAM ACCOUNTABILITY REQUIREMENTS.**

111.10 Subdivision 1. **Accountability measurement.** By October 1, 2009, the
111.11 commissioner of employment and economic development shall develop a uniform
111.12 accountability report for economic development or workforce related programs funded in
111.13 whole or in part by state or federal funds. The commissioner shall also develop a formula
111.14 for measuring the return on investment for each program and a comparison of the return
111.15 on investment of all programs funded in whole or in part by state or federal funds. The
111.16 requirements of this section apply to programs administered directly by the commissioner
111.17 or administered by other employment organizations under a grant made by the department.
111.18 The report and formula required by this subdivision shall be submitted to the chairs and
111.19 ranking minority members of the committees of the house of representatives and senate
111.20 having jurisdiction over economic development and workforce policy and finance by
111.21 October 15, 2009, for review and comment.

111.22 Subd. 2. **Report to the legislature.** By December 31 of each even-numbered
111.23 year the commissioner must report to the chairs and the ranking minority members of
111.24 the committees of the house of representatives and the senate having jurisdiction over
111.25 economic development and workforce policy and finance the following information for
111.26 each program subject to the requirements of subdivision 1:

111.27 (1) the target population;

111.28 (2) the number of jobs affected by the program, including the number of net new
111.29 jobs created in the state and the average annual wage per job;

111.30 (3) the number of individuals leaving the unemployment compensation program as
111.31 a result of the program;

111.32 (4) the number of individuals leaving the Minnesota Family Investment Program
111.33 support as a result of the program;

111.34 (5) the region of the state in which the program operated;

111.35 (6) the amount of state or federal funds allocated to the program; and

(7) the return on investment as calculated by the formula developed by the commissioner.

Subd. 3. **Report to the commissioner.** A recipient of a grant made by or through the department must report to the commissioner by September 1 of each even-numbered year on each of the items in subdivision 2 for each program it administers. The report must be in a format prescribed by the commissioner.

Beginning November 1, 2009, the commissioner shall provide notice to grant applicants and recipients regarding the data collection and reporting requirements under this subdivision and must provide technical assistance to applicants and recipients to assist in complying with the requirements of this subdivision.

Subd. 4. **Biennial budget request.** The information collected and reported under subdivisions 2 and 3 shall be included in budgets submitted to the legislature under section 16A.11.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 12. Minnesota Statutes 2008, section 129D.13, subdivision 1, is amended to read:

Subdivision 1. **Distribution.** The commissioner shall distribute the money provided by sections 129D.11 to 129D.13. ~~Twice~~ Annually the commissioner shall make block grants which shall be distributed in equal amounts to public stations for operational costs. The commissioner shall allocate money appropriated for the purposes of sections 129D.11 to 129D.13 in such a manner that each eligible public station receives a block grant. In addition, the commissioner shall make matching grants to public stations. Matching grants shall be used for operational costs and shall be allocated using the procedure developed for distribution of state money under this section for grants made in fiscal year 1979. No station's matching grant in any fiscal year shall exceed the amount of Minnesota-based contributions received by that station in the previous fiscal year. Grants made pursuant to this subdivision may only be given to those federally licensed stations that are certified as eligible for community service grants through the Corporation for Public Broadcasting. Grant funds not expended by a station during the first year of the biennium do not cancel and may be carried over into the second fiscal year.

Sec. 13. Minnesota Statutes 2008, section 129D.13, subdivision 2, is amended to read:

Subd. 2. **Exclusions from contribution amount.** In calculating the amount of contributions received by a public station pursuant to subdivision 1, there shall be excluded: contributions, whether monetary or in kind, from the Corporation for Public Broadcasting; tax generated funds, including payments by public or private elementary

113.1 and secondary schools; that portion of any foundation or corporation donation in excess
113.2 of ~~\$500~~ \$2,500 from any one contributor in ~~a calendar~~ the previous station fiscal year;
113.3 contributions from any source if made for the purpose of capital expenditures; and
113.4 contributions from all sources based outside the state.

113.5 Sec. 14. Minnesota Statutes 2008, section 129D.13, subdivision 3, is amended to read:

113.6 Subd. 3. **Report.** Each ~~educational~~ station receiving a grant shall ~~annually~~ report
113.7 ~~by July 1~~ annually by August 1 to the commissioner the purposes for which the money
113.8 was used in the past ~~fiscal~~ year and the anticipated use of the money in the next ~~fiscal~~ year.
113.9 ~~The report shall be certified by an independent auditor or a certified public accountant.~~
113.10 This report shall be submitted along with a new grant request submission. If the report
113.11 is not submitted ~~by September 1~~, the commissioner ~~may withhold from the educational~~
113.12 ~~station 45 percent of the amount to which it was entitled based upon the contribution of~~
113.13 ~~the previous fiscal year, and may redistribute that money to other educational stations.~~

113.14 Sec. 15. Minnesota Statutes 2008, section 129D.14, subdivision 4, is amended to read:

113.15 Subd. 4. **Application.** To be eligible for a grant under this section, a licensee
113.16 shall submit an application to the commissioner ~~within the deadline prescribed by the~~
113.17 ~~commissioner~~ according to state grant policies. Each noncommercial radio station
113.18 receiving a grant shall report annually ~~within the deadline prescribed by~~ August 1 to the
113.19 commissioner the purposes for which the money was used in the past ~~fiscal~~ year and the
113.20 anticipated use of the money for the next ~~fiscal~~ year. This report shall be submitted along
113.21 with a new grant request submission. If the application and report are not submitted within
113.22 the deadline prescribed by the commissioner, the grant may be redistributed to the other
113.23 noncommercial radio stations eligible for a grant under this section.

113.24 Sec. 16. Minnesota Statutes 2008, section 129D.14, subdivision 5, is amended to read:

113.25 Subd. 5. **State community service block grants.** (a) The commissioner shall
113.26 determine eligibility for block grants and the allocation of block grant money on the basis
113.27 of audited financial records of the station to receive the block grant funds for the station's
113.28 fiscal year preceding the year in which the grant is made, as well as on the basis of the
113.29 other requirements set forth in this section. The commissioner shall annually distribute
113.30 block grants equally to all stations that comply with the eligibility requirements and for
113.31 which a licensee applies for a block grant. Grant funds not expended by a station during
113.32 the first year of the biennium do not cancel and may be carried over into the second fiscal
113.33 year. The commissioner may promulgate rules to implement this section.

114.1 (b) A station may use grant money under this section for any radio station expenses.

114.2 Sec. 17. Minnesota Statutes 2008, section 129D.14, subdivision 6, is amended to read:

114.3 Subd. 6. **Audit.** A station that receives a grant under this section shall have an
114.4 audit of its financial records made by an independent auditor or Corporation for Public
114.5 Broadcasting accepted audit ~~at the end of~~ for the fiscal year for which it received the grant.
114.6 ~~The audit shall include a review of station promotion, operation, and management and an~~
114.7 ~~analysis of the station's use of the grant money.~~ A copy of the most recent audit shall be
114.8 filed with the commissioner. ~~If neither is available,~~ The commissioner may accept a letter
114.9 of negative assurance from an independent auditor or a certified public accountant.

114.10 Sec. 18. Minnesota Statutes 2008, section 129D.155, is amended to read:

114.11 **129D.155 REPAYMENT OF FUNDS.**

114.12 State funds distributed to public television or noncommercial radio stations and used
114.13 to purchase equipment assets must be repaid to the state, without interest, if the assets
114.14 purchased with these funds are sold within five years or otherwise converted to a person
114.15 other than a nonprofit or municipal corporation. The amount due to the state shall be the
114.16 net amount realized from the sale of the assets, but shall not exceed the amount of state
114.17 funds advanced for the purchase of the asset. ~~Public television and noncommercial radio~~
114.18 ~~stations receiving state funds must report biennially to the legislature on the location and~~
114.19 ~~usage of assets purchased with state funds.~~

114.20 Sec. 19. **[137.701] UNIVERSITY NEIGHBORHOOD DEVELOPMENT.**

114.21 Subdivision 1. **Purpose.** In order to support and create an environment surrounding
114.22 the University of Minnesota, Minneapolis campus that is conducive to the purposes of
114.23 higher education and a vital community, the Board of Regents and the city of Minneapolis
114.24 shall create with the Marcy Holmes, Southeast Como, Prospect Park, and Cedar-Riverside
114.25 neighborhood and business associations, an appropriate organization so that they
114.26 cooperate in the development of those neighborhoods. The purpose of the organization is
114.27 to improve the university's Minneapolis campus area neighborhoods including, but not
114.28 limited to, the following:

114.29 (1) providing and supporting the development of good quality university
114.30 neighborhood housing, including housing for students, faculty, employees, alumni, and
114.31 others who may wish to live in the university area neighborhoods;

114.32 (2) encouraging and assisting university faculty, staff, students, and others to live in
114.33 the neighborhood as long-term residents;

(3) supporting and assisting appropriate business development in commercial areas of the neighborhood; and

(4) cooperating and coordinating planning and development in all matters affecting the neighborhood with local government, businesses, residents, and other stakeholders in the neighborhood.

Subd. 2. **Membership.** The organization created by the Board of Regents and the city of Minneapolis shall include representatives from the organizations currently represented on the University District Alliance Steering Committee.

Subd. 3. **Report.** The Board of Regents and the city of Minneapolis shall report by January 15, 2010, to the chairs and ranking minority members of the legislative committees with primary jurisdiction over higher education policy and finance and economic development and housing finance on the status and activities of the organization that is created.

Sec. 20. Minnesota Statutes 2008, section 160.16, is amended by adding a subdivision to read:

Subd. 4. **Business signs.** A road or transit authority, before entering into a contract for construction, reconstruction, or improvement of a street or highway, shall identify any business that will experience access, parking, or visibility impacts during construction. The road or transit authority shall consult with affected businesses before and during construction to plan signage that will mitigate adverse effects on businesses during project construction.

Sec. 21. **[161.2415] MITIGATION OF TRANSPORTATION CONSTRUCTION IMPACTS ON BUSINESS.**

Subdivision 1. **Definition.** For the purposes of this section, "project" means road work to maintain, construct, or improve a street or highway, or for a transit improvement, if the work is anticipated by the road or transit authority to impair road access to one or more business establishments for a minimum period of one month.

Subd. 2. **Business liaison.** (a) Before the beginning of project construction work, the road or transit authority shall identify businesses that are adjacent to the construction area or whose access to the business premises or parking will be impaired by the project and designate an individual to serve as business liaison between the road or transit authority and the affected businesses.

(b) The business liaison shall provide information to the identified businesses, before and during construction, concerning project duration and timetables, lane and

116.1 road closures, detours, access impacts, customer parking impacts, visibility, noise, dust,
116.2 vibration, and public participation opportunities.

116.3 Sec. 22. Minnesota Statutes 2008, section 270.97, is amended to read:

116.4 **270.97 DEPOSIT OF REVENUES.**

116.5 The commissioner shall deposit all revenues derived from the tax, interest, and
116.6 penalties received from the county in the contaminated site cleanup and development
116.7 account in the general fund and is annually appropriated to the commissioner of the
116.8 Department of Employment and Economic Development, for the purposes of section
116.9 116J.551.

116.10 Sec. 23. Minnesota Statutes 2008, section 325E.115, subdivision 1, is amended to read:

116.11 Subdivision 1. **Surcharge; collection; notice.** (a) A person selling lead acid
116.12 batteries at retail or offering lead acid batteries for retail sale in this state shall:

116.13 (1) accept, at the point of transfer, lead acid batteries from customers;

116.14 (2) charge a fee of ~~\$5~~ \$10 per battery sold unless the customer returns a used battery
116.15 to the retailer; and

116.16 (3) post written notice in accordance with section 325E.1151.

116.17 (b) Any person selling lead acid batteries at wholesale or offering lead acid batteries
116.18 for sale at wholesale must accept, at the point of transfer, lead acid batteries from
116.19 customers.

116.20 Sec. 24. Minnesota Statutes 2008, section 325E.1151, subdivision 1, is amended to
116.21 read:

116.22 Subdivision 1. **Purchasers must return battery or pay ~~\$5~~ \$10.** (a) A person who
116.23 purchases a lead acid battery at retail, except a lead acid battery that is designed to provide
116.24 power for a boat motor that is purchased at the same time as the battery, must:

116.25 (1) return a lead acid battery to the retailer; or

116.26 (2) pay the retailer a ~~\$5~~ \$10 surcharge.

116.27 (b) A person who has paid a ~~\$5~~ \$10 surcharge under paragraph (a) must receive a
116.28 ~~\$5~~ \$10 refund from the retailer if the person returns a lead acid battery with a receipt
116.29 for the purchase of a new battery from that retailer within 30 days after purchasing
116.30 a new lead acid battery.

116.31 (c) A retailer may keep the unrefunded surcharges for lead acid batteries not
116.32 returned within 30 days.

117.1 Sec. 25. Minnesota Statutes 2008, section 325E.1151, subdivision 3, is amended to
117.2 read:

117.3 Subd. 3. **Retailers must post notices.** (a) A person who sells lead acid batteries
117.4 at retail must post the notice in paragraph (b) in a manner clearly visible to a consumer
117.5 making purchasing decisions.

117.6 (b) The notice must be at least 8-1/2 inches by 11 inches and contain the universal
117.7 recycling symbol and state:

117.8 "NOTICE: USED BATTERIES

117.9 This retailer is required to accept your used lead acid batteries, EVEN IF YOU DO
117.10 NOT PURCHASE A BATTERY. When you purchase a new battery, you will be charged
117.11 an additional ~~\$5~~ \$10 unless you return a used battery within 30 days.

117.12 It is a crime to put a motor vehicle battery in the garbage."

117.13 Sec. 26. Minnesota Statutes 2008, section 325E.1151, subdivision 4, is amended to
117.14 read:

117.15 Subd. 4. **Notices required in newspaper advertisements.** (a) An advertisement
117.16 for sale of new lead acid batteries at retail in newspapers published in this state must
117.17 contain the notice in paragraph (b).

117.18 (b) The notice must state:

117.19 "~~\$5~~ \$10 additional charge unless a used lead acid battery is returned. Improper
117.20 disposal of a lead acid battery is a crime."

117.21 Sec. 27. Minnesota Statutes 2008, section 326B.33, subdivision 13, is amended to read:

117.22 Subd. 13. **Registration of unlicensed individuals.** Unlicensed individuals
117.23 performing electrical work for a contractor or employer shall register with the department
117.24 in the manner prescribed by the commissioner. Experience credit for electrical work
117.25 performed in Minnesota after January 1, ~~2008~~ 2009, by an applicant for a license identified
117.26 in this section shall not be granted where the applicant has not registered with or is not
117.27 licensed by the department.

117.28 Sec. 28. **[326B.881] REGISTRATION OF UNLICENSED PERSONS.**

117.29 **Subdivision 1. Registration required.** (a) An unlicensed contractor or subcontractor
117.30 who performs public or private sector commercial or residential building construction or
117.31 improvement services must register with the commissioner every two years. A licensed
117.32 contractor or subcontractor includes a plumbing contractor who has in their employ
117.33 a licensed master plumber or restricted master plumber under section 326B.42 or a

mechanical contractor as defined under section 326B.802. The registration must be submitted on a form and in a manner prescribed by the commissioner and must include the information specified in paragraph (b). For purposes of this section, "contractor" or "subcontractor" means a limited liability company, corporation, partnership, or sole proprietorship.

(b) The information collected upon registration must include:

(1) the legal name under which the contractor or subcontractor intends to offer services;

(2) the address at which the contractor or subcontractor is physically located;

(3) the business telephone number and e-mail address;

(4) the services provided by the contractor or subcontractor;

(5) a federal employer identification number or social security number;

(6) the approximate number of employees; and

(7) a certificate of insurance showing workers' compensation coverage if applicable.

Subd. 2. **Exclusions.** For purposes of this section, building construction and improvement services do not include the manufacture, supply, or sale of products, materials, or merchandise.

Subd. 3. **Application of requirements.** The registration requirements under this section do not apply to persons with a valid independent contractor exemption certificate under section 181.723.

Subd. 4. **Fees.** A \$100 registration fee shall be paid to the commissioner upon registration for deposit into the construction code fund under section 326B.04.

Subd. 5. **Prohibited activities.** A person violating the requirements of this section shall not perform public or private sector commercial or residential building construction or improvement services in this state. Proof of registration must be maintained for at least two years from the date of registration. Proof of registration must be provided by a person before entering into a contract for public or private sector commercial or residential building construction or improvement services on or after the effective date of this section. Violations of this subdivision are subject to a \$500 fine payable to the commissioner for deposit into the assigned risk safety account under chapter 79.

EFFECTIVE DATE. This section is effective January 1, 2010.

Sec. 29. Minnesota Statutes 2008, section 327C.03, is amended by adding a subdivision to read:

Subd. 6. **Payment to the Minnesota manufactured home relocation trust fund.**

In the event a park owner is assessed under section 327C.095, subdivision 12, paragraph

119.1 (c), the park owner may collect the \$12 annual payment required under section 327C.095,
119.2 subdivision 12, for participation in the relocation trust fund, as a lump sum or, along with
119.3 monthly lot rent, a fee of no more than \$1 per month to cover the cost of participating
119.4 in the relocation trust fund. The \$1 fee must be separately itemized and clearly labeled
119.5 "Minnesota manufactured home relocation trust fund."

119.6 Sec. 30. Minnesota Statutes 2008, section 327C.095, subdivision 12, is amended to
119.7 read:

119.8 Subd. 12. **Payment to the Minnesota manufactured home relocation trust fund.**

119.9 (a) If a manufactured home owner is required to move due to the conversion of all or a
119.10 portion of a manufactured home park to another use, the closure of a park, or cessation
119.11 of use of the land as a manufactured home park, the manufactured park owner shall,
119.12 upon the change in use, pay to the commissioner of finance for deposit in the Minnesota
119.13 manufactured home relocation trust fund under section 462A.35, the lesser amount of the
119.14 actual costs of moving or purchasing the manufactured home approved by the neutral
119.15 third party and paid by the Minnesota Housing Finance Agency under subdivision 13,
119.16 paragraph (a) or (e), or \$3,250 for each single section manufactured home, and \$6,000 for
119.17 each multisection manufactured home, for which a manufactured home owner has made
119.18 application for payment of relocation costs under subdivision 13, paragraph (c). The
119.19 manufactured home park owner shall make payments required under this section to the
119.20 Minnesota manufactured home relocation trust fund within 60 days of receipt of invoice
119.21 from the neutral third party.

119.22 (b) A manufactured home park owner is not required to make the payment prescribed
119.23 under paragraph (a), nor is a manufactured home owner entitled to compensation under
119.24 subdivision 13, paragraph (a) or (e), if:

119.25 (1) the manufactured home park owner relocates the manufactured home owner to
119.26 another space in the manufactured home park or to another manufactured home park at
119.27 the park owner's expense;

119.28 (2) the manufactured home owner is vacating the premises and has informed the
119.29 manufactured home park owner or manager of this prior to the mailing date of the closure
119.30 statement under subdivision 1;

119.31 (3) a manufactured home owner has abandoned the manufactured home, or the
119.32 manufactured home owner is not current on the monthly lot rental, personal property
119.33 taxes, ~~or has failed to pay the annual \$12 payments to the Minnesota manufactured home~~
119.34 ~~relocation trust fund when due;~~

(4) the manufactured home owner has a pending eviction action for nonpayment of lot rental amount under section 327C.09, which was filed against the manufactured home owner prior to the mailing date of the closure statement under subdivision 1, and the writ of recovery has been ordered by the district court;

(5) the conversion of all or a portion of a manufactured home park to another use, the closure of a park, or cessation of use of the land as a manufactured home park is the result of a taking or exercise of the power of eminent domain by a governmental entity or public utility; or

(6) the owner of the manufactured home is not a resident of the manufactured home park, as defined in section 327C.01, subdivision 9, or the owner of the manufactured home is a resident, but came to reside in the manufactured home park after the mailing date of the closure statement under subdivision 1.

~~(c) Owners of manufactured homes who rent lots in a manufactured home park shall make annual payments to the park owner, to be deposited in the Minnesota manufactured home relocation trust fund under section 462A.35, in the amount of \$12 per year, per manufactured home, payable on August 15 of each year. On or before July 15 of each year, the commissioner of finance shall prepare and post on the department's Web site a generic invoice and cover letter explaining the purpose of the Minnesota manufactured home relocation trust fund, the obligation of each manufactured home owner to make an annual \$12 payment into the fund, the due date, and the need to pay to the park owner for collection, and a warning, in 14-point font, that if the annual payments are not made when due, the manufactured home owner will not be eligible for compensation from the fund if the manufactured home park closes. The park owner shall receive, record, and commingle the payments and forward the payments to the commissioner of finance by September 15 of each year, with a summary by the park owner, certifying the name, address, and payment amount of each remitter, and noting the names and address of manufactured home owners who did not pay the \$12 annual payment, sent to both the commissioner of finance and the commissioner of the Minnesota Housing Finance Agency. The commissioner of finance shall deposit the payments in the Minnesota manufactured home relocation trust fund. The commissioner of finance shall annually assess each manufactured home park owner by mail the total amount of \$12 for each licensed lot in their park, payable on or before September 15 of each year. The commissioner of finance shall deposit the payments in the Minnesota manufactured home relocation trust fund. On or before July 15 of each year, the commissioner of finance shall prepare and distribute to park owners a letter explaining the collection, an invoice for all licensed lots, and a sample form for the park owners to collect information on which park residents have been accounted for.~~

121.1 The park owner may recoup the cost of the assessment with a monthly fee of no more
121.2 than \$1 collected from park residents together with monthly lot rent as provided in section
121.3 327C.03, subdivision 1. Park owners may adjust payment for lots in their park that are
121.4 vacant or otherwise not eligible for contribution to the trust fund under section 327C.095,
121.5 subdivision 12, paragraph (b), and deduct from the assessment, accordingly.

121.6 (d) This subdivision and subdivision 13, paragraph (c), clause (5), are enforceable by
121.7 the neutral third party, on behalf of the Minnesota Housing Finance Agency, or by action
121.8 in a court of appropriate jurisdiction. The court shall award a prevailing party reasonable
121.9 attorney fees, court costs, and disbursements.

121.10 Sec. 31. Laws 1998, chapter 404, section 23, subdivision 6, as amended by Laws 2002,
121.11 chapter 220, article 10, section 35, subdivision 6, is amended to read:

121.12 Subd. 6. **St. Paul RiverCentre Arena** 65,000,000

121.13 This appropriation is from the general fund
121.14 to the commissioner of finance for a loan to
121.15 the city of St. Paul to demolish the existing
121.16 St. Paul RiverCentre Arena and to design,
121.17 construct, furnish, and equip a new arena.

121.18 This appropriation is not available until the
121.19 lessee to whom the city has leased the arena
121.20 has agreed to make rental or other payments
121.21 to the city under the terms set forth in this
121.22 subdivision. The loan is repayable solely
121.23 from and secured by the payments made
121.24 to the city by the lessee. The loan is not a
121.25 public debt and the full faith, credit, and
121.26 taxing powers of the city are not pledged for
121.27 its repayment.

121.28 (a) ~~\$48,000,000~~ \$15,250,000 of the loan
121.29 must be repaid to the commissioner, without
121.30 interest, within ~~20~~ 12 years from the date
121.31 of substantial completion of the arena in
121.32 accordance with the following schedule:

121.33 (1) no repayments are due in the first two
121.34 years from the date of substantial completion;

122.1 (2) in each of the years three to five, the
122.2 lessee must pay \$1,250,000;

122.3 (3) in each of the years six to ten, the lessee
122.4 must pay \$1,500,000; and

122.5 (4) in each of the years 11 ~~to~~ and 13 12, the
122.6 lessee must pay \$2,000,000~~;~~;

122.7 ~~(5) in year 14, the lessee must pay~~
122.8 ~~\$3,000,000;~~

122.9 ~~(6) in year 15, the lessee must pay~~
122.10 ~~\$4,000,000; and~~

122.11 ~~(7) in each of the years 16 to 20, the lessee~~
122.12 ~~must pay \$4,750,000.~~

122.13 (b) The commissioner must deposit the
122.14 repayments in the state treasury and credit
122.15 them to the general fund.

122.16 (c) The loan may not be made until the
122.17 commissioner has entered into an agreement
122.18 with the city of St. Paul identifying the rental
122.19 or other payments that will be made and
122.20 establishing the dates on and the amounts
122.21 in which the payments will be made to the
122.22 city and by the city to the commissioner. The
122.23 payments may include operating revenues
122.24 and additional payments to be made by the
122.25 lessee under agreements to be negotiated
122.26 between the commissioner, the city, and the
122.27 lessee. Those agreements may include, but
122.28 are not limited to, an agreement whereby the
122.29 lessee pledges to provide each year a letter
122.30 of credit sufficient to guarantee the payment
122.31 of the amount due for the next succeeding
122.32 year; an agreement whereby the lessee
122.33 agrees to maintain a net worth, certified each
122.34 year by a financial institution or accounting

123.1 firm satisfactory to the commissioner, that
123.2 is greater than the balance due under the
123.3 payment schedule in paragraph (a); and any
123.4 other agreements the commissioner may
123.5 deem necessary to ensure that the payments
123.6 are made as scheduled.

123.7 (d) The agreements must provide that the
123.8 failure of the lessee to make a payment due
123.9 to the city under the agreement is an event
123.10 of default under the lease between the city
123.11 and the lessee and that the state is entitled to
123.12 enforce the remedies of the lessor under the
123.13 lease in the event of default. Those remedies
123.14 must include, but need not be limited to, the
123.15 obligation of the lessee to pay the balance due
123.16 for the remainder of the payment schedule
123.17 in the event the lessee ceases to operate a
123.18 National Hockey League team in the arena.

123.19 (e) By January 1, 1999, the commissioner
123.20 shall report to the chair of the senate
123.21 committee on state government finance
123.22 and the chair of the house committee on
123.23 ways and means the terms of an agreement
123.24 between the lessee and the amateur sports
123.25 commission whereby the lessee agrees to
123.26 make the facilities of the arena available to
123.27 the commission on terms satisfactory to the
123.28 commission for amateur sports activities
123.29 consistent with the purposes of Minnesota
123.30 Statutes, chapter 240A, each year during the
123.31 time the loan is outstanding. The amateur
123.32 sports commission must negotiate in good
123.33 faith and may be required to pay no more
123.34 than actual out-of-pocket expenses for the
123.35 time it uses the arena. The agreement may
123.36 not become effective before February 1,

124.1 1999. During any calendar year after 1999
124.2 that an agreement under this paragraph is
124.3 not in effect and a payment is due under
124.4 the schedule, the lessee must pay to the
124.5 commissioner a penalty of \$750,000 for that
124.6 year. If the amateur sports commission has
124.7 not negotiated in good faith, no penalty is
124.8 due.

124.9 Sec. 32. **CONSTRUCTION MITIGATION PILOT PROGRAM.**

124.10 Subdivision 1. **Purpose.** The purpose of the construction mitigation grant program
124.11 is to mitigate the impacts of transportation construction on local small businesses, to
124.12 promote the retention of jobs in transportation construction areas, and to provide outreach
124.13 to the public and small businesses to minimize interruption to local commerce. The
124.14 Department of Transportation, Department of Employment and Economic Development,
124.15 and local government units shall work together to ensure that the recommendations
124.16 of the Department of Transportation's 2009 report to the legislature on transportation
124.17 construction impacts and any statutory changes resulting from the report recommendations
124.18 are applied when implementing the grant program.

124.19 Subd. 2. **Establishment.** The commissioner of employment and economic
124.20 development shall develop and implement a construction mitigation grant program to
124.21 make grants available to local government units to mitigate the impacts of transportation
124.22 construction on local small businesses.

124.23 Subd. 3. **Definitions.** For purposes of this section:

124.24 (1) "applicant" means a local government unit;

124.25 (2) "commissioner" means the commissioner of the Department of Employment and
124.26 Economic Development;

124.27 (3) "eligible transportation project entirely or partially funded by state or federal
124.28 funds" means a project that will affect one or more small businesses as a result of
124.29 transportation work because the work is anticipated to impair road access for a minimum
124.30 period of one month;

124.31 (4) "local government unit" means a county, statutory or home rule charter city,
124.32 town, special district, or other political subdivision;

124.33 (5) "project" has the meaning given it in Minnesota Statutes, section 161.2415; and

124.34 (6) "small business" means a business that employs ten or fewer employees and is
124.35 located in an area that is adjacent to an eligible project.

Subd. 4. **Applications.** A grant applicant shall prepare and submit to the commissioner a written proposal detailing a construction mitigation plan and strategies on how the applicant will implement the plan to meet the purpose of the grant program as provided in subdivision 1. An applicant shall identify any nonstate funding sources available to match state funds distributed under subdivision 5.

Subd. 5. **Fund distribution.** In distributing funds, the commissioner shall consider the types of businesses affected by the eligible transportation project and shall balance funding between eligible transportation projects within the seven-county metropolitan area and eligible transportation projects outside of the seven-county metropolitan area.

Subd. 6. **Expiration.** This section expires on July 1, 2011.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 33. **FUNDING; APPROPRIATION.**

Subdivision 1. **Funding.** To the extent that the commissioner receives funds from the American Recovery and Reinvestment Act of 2009, Public Law 111-5, for the purposes of Minnesota Statutes, section 116J.432, funding for the construction mitigation grant program must be done through federal dollars. The commissioner of employment and economic development is directed to determine whether federal dollars are available for this purpose.

Subd. 2. **Appropriation.** \$100,000 is appropriated from the general fund to the commissioner of employment and economic development to develop a construction mitigation pilot program to fund up to five projects statewide. This appropriation is only available if federal stimulus money is not available. This appropriation is available until expended.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 34. **MINNESOTA EVENT DISTRICT EXPANSION, PHASE I.**

The city of St. Paul may issue up to \$40,000,000 of general obligation or special revenue bonds to finance the design, acquisition, construction, and equipping of a public community ice facility to be located within the block 39/arena tax increment district. The city may pledge, or use to pay the bonds, any money available to the city or its housing and redevelopment authority, including but not limited to, any revenue derived from the project. The estimated collection of the pledged money may be deducted from any general ad valorem taxes otherwise required to be levied before issuance of general

126.1 obligation bonds under Minnesota Statutes, section 475.61, subdivision 1. The bonds may
126.2 be issued in one or more series and sold without election on the question of issuance of
126.3 the bonds or the levy of a property tax to pay the bonds. Except as otherwise provided
126.4 in this section, the bonds must be issued, sold, and secured in the manner provided in
126.5 Minnesota Statutes, chapter 475.

126.6 Sec. 35. **REPEALER.**

126.7 Minnesota Statutes 2008, sections 60A.315, subdivisions 1, 2, 3, 4, and 5; 129D.13,
126.8 subdivision 4; and 176.135, subdivision 1b, are repealed.

126.9 Sec. 36. **EFFECTIVE DATE; LOCAL APPROVAL.**

126.10 Section 34 is effective the day after the governing body of the city of St. Paul and its
126.11 chief clerical officer timely complete their compliance with Minnesota Statutes, section
126.12 645.021, subdivisions 2 and 3. Section 31 is effective the day after the city of St. Paul
126.13 issues the bonds authorized in section 34.

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ARTICLE 2	EMPLOYMENT AND ECONOMIC DEVELOPMENT POLICY	Page.Ln 22.13
	EMPLOYMENT AND ECONOMIC DEVELOPMENT TECHNICAL	
ARTICLE 3	CHANGES	Page.Ln 25.12
ARTICLE 4	UNEMPLOYMENT INSURANCE POLICY	Page.Ln 43.29
ARTICLE 5	UNEMPLOYMENT INSURANCE TECHNICAL CHANGES	Page.Ln 54.7
ARTICLE 6	IRON RANGE RESOURCES	Page.Ln 86.15
ARTICLE 7	MISCELLANEOUS PROVISIONS	Page.Ln 105.1

60A.315 EXPEDITED FORM AND RATE FILING.

Subdivision 1. **Authority.** An insurer or rate service organization otherwise required to file rates and forms may use the expedited filing procedure under this section for homeowner's insurance as defined in section 65A.27, subdivision 4, and automobile insurance as governed by chapter 65B.

Subd. 2. **Compliance certifications.** An insurer or rate service organization shall file with the Department of Commerce on a prescribed form a description of the policy, amendment, or endorsement and a written certification signed by an officer of the insurer or the rate service organization that the forms, policies, amendments, and endorsements comply with all applicable Minnesota statutes, rules, and case law, and a copy of the policy, amendment, or endorsement. If the filing will impact rates, the filing must comply with section 70A.06, subdivisions 1 and 1a. Forms and rates filed under this procedure are effective upon receipt by the department. Anyone using the expedited filing procedures authorized by this section must provide copies of the form filings within 24 hours of receiving a request from the commissioner. Insurers may comply with this requirement by providing the form filings in paper or electronic format.

Subd. 3. **Application of law.** If an insurer uses the services of a rate service organization for purposes of filing a certificate of compliance under this section, the certification by the rate service organization under subdivision 2 does not excuse the insurer from its obligation to ensure that its filing complies with all applicable Minnesota statutes, rules, and case law.

Subd. 4. **Fees.** In order to be effective, the filing must be accompanied by payment of the filing fee applicable to the policy, amendment, endorsement, or rate unless the fee is remitted in accordance with an alternative procedure allowed under section 60A.14.

Subd. 5. **Record keeping.** The insurer or rate service organization shall retain the policy, amendment, or endorsement for at least five years after that policy, amendment, or endorsement ceased providing coverage to any Minnesota policyholder, and shall provide to the Department of Commerce upon request a copy of any form in use pursuant to these filing procedures.

116J.402 COOPERATIVE CONTRACTS.

(a) The commissioner of employment and economic development may apply for, receive, and spend money for community development from municipal, county, regional, and other planning agencies. The commissioner may also apply for, accept, and disburse grants and other aids for community development and related planning from the federal government and other sources. The commissioner may enter into contracts with agencies of the federal government, local governmental units, regional development commissions, and the Metropolitan Council, other state agencies, the University of Minnesota, and other educational institutions, and private persons as necessary to perform the commissioner's duties. Contracts made according to this section, except those with private persons, are not subject to the provisions of chapter 16C concerning competitive bidding.

(b) The commissioner may apply for, receive, and spend money made available from federal sources or other sources for the purposes of carrying out the duties and responsibilities of the commissioner.

(c) Money received by the commissioner under this section must be deposited in the state treasury and is appropriated to the commissioner for the purposes for which the money has been received. The money does not cancel and is available until spent.

116J.413 POWERS RELATING TO RURAL DEVELOPMENT.

Subdivision 1. **Contracts.** The commissioner may enter into contracts and grant agreements necessary to carry out the commissioner's responsibilities.

Subd. 2. **Gifts; grants.** The commissioner may apply for, accept, and disburse gifts, grants, loans, or other property from the United States, the state, private foundations, or any other source; may enter into an agreement required for the gifts, grants, or loans; and may hold, use, and dispose of its assets in accordance with the terms of the gift, grant, loan, or agreement. Money received by the commissioner under this subdivision must be deposited in a separate account in the state treasury and invested by the state Board of Investment. The amount deposited, including investment earnings, is appropriated to the commissioner to carry out duties under this section.

116J.58 POWERS AND DUTIES.

Subdivision 1. **Enumeration.** The commissioner shall:

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(1) investigate, study, and undertake ways and means of promoting and encouraging the prosperous development and protection of the legitimate interest and welfare of Minnesota business, industry, and commerce, within and outside the state;

(2) locate markets for manufacturers and processors and aid merchants in locating and contacting markets;

(3) investigate and study conditions affecting Minnesota business, industry, and commerce and collect and disseminate information, and engage in technical studies, scientific investigations, and statistical research and educational activities necessary or useful for the proper execution of the powers and duties of the commissioner in promoting and developing Minnesota business, industry, and commerce, both within and outside the state;

(4) plan and develop an effective business information service both for the direct assistance of business and industry of the state and for the encouragement of business and industry outside the state to use economic facilities within the state;

(5) compile, collect, and develop periodically, or otherwise make available, information relating to current business conditions;

(6) conduct or encourage research designed to further new and more extensive uses of the natural and other resources of the state and designed to develop new products and industrial processes;

(7) study trends and developments in the industries of the state and analyze the reasons underlying the trends; study costs and other factors affecting successful operation of businesses within the state; and make recommendations regarding circumstances promoting or hampering business and industrial development;

(8) serve as a clearinghouse for business and industrial problems of the state; and advise small business enterprises regarding improved methods of accounting and bookkeeping;

(9) cooperate with interstate commissions engaged in formulating and promoting the adoption of interstate compacts and agreements helpful to business, industry, and commerce;

(10) cooperate with other state departments, and with boards, commissions, and other state agencies, in the preparation and coordination of plans and policies for the development of the state and for the use and conservation of its resources insofar as the use, conservation, and development may be appropriately directed or influenced by a state agency;

(11) assemble and coordinate information relative to the status, scope, cost, and employment possibilities and the availability of materials, equipment, and labor in connection with public works projects, state, county, and municipal; recommend limitations on the public works; gather current progress information with reference to public and private works projects of the state and its political subdivisions with reference to conditions of employment; inquire into and report to the governor, when requested by the governor, with respect to any program of public state improvements and the financing thereof; and request and obtain information from other state departments or agencies as may be needed properly to report thereon;

(12) study changes in population and current trends and prepare plans and suggest policies for the development and conservation of the resources of the state;

(13) confer and cooperate with the executive, legislative, or planning authorities of the United States and neighboring states and provinces and of the counties and municipalities of such neighboring states, for the purpose of bringing about a coordination between the development of such neighboring provinces, states, counties, and municipalities and the development of this state;

(14) generally, gather, compile, and make available statistical information relating to business, trade, commerce, industry, transportation, communication, natural resources, and other like subjects in this state, with authority to call upon other departments of the state for statistical data and results obtained by them and to arrange and compile that statistical information in a manner that seems wise;

(15) publish documents and annually convene regional meetings to inform businesses, local government units, assistance providers, and other interested persons of changes in state and federal law related to economic development;

(16) annually convene conferences of providers of economic development related financial and technical assistance for the purposes of exchanging information on economic development assistance, coordinating economic development activities, and formulating economic development strategies;

(17) provide business with information on the economic benefits of energy conservation and on the availability of energy conservation assistance; and

(18) prepare, as part of biennial budget process, performance measures for each business loan or grant program within the jurisdiction of the commissioner. Measures would include source of funds for each program, numbers of jobs proposed or promised at the time of application and

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the number of jobs created, estimated number of jobs retained, the average salary and benefits for the jobs resulting from the program, and the number of projects approved.

116J.59 IMPREST FUNDS, USE.

The commissioner of employment and economic development may use the money in the imprest fund of the department in order to facilitate and expedite its business particularly in the making of advances of moneys to officers and employees of the department and members of the advisory committee for the purpose of defraying the expenses of travel, subsistence, and other similar expenses, and in meeting emergencies, and in accordance with such requirements therefor as may be prescribed by the commissioner of finance. The imprest fund shall be reimbursed for all moneys advanced in the manner prescribed by the rules of the commissioner of administration.

116J.61 ADDITIONAL POWERS AND DUTIES.

The commissioner shall:

- (1) have control of the work of carrying on a continuous program of education for business people;
- (2) publish, disseminate, and distribute information and statistics;
- (3) promote and encourage the expansion and development of markets for Minnesota products;
- (4) promote and encourage the location and development of new business in the state as well as the maintenance and expansion of existing business and for that purpose cooperate with state and local agencies and individuals, both within and outside the state;
- (5) advertise and disseminate information as to natural resources, desirable locations, and other advantages for the purpose of attracting business to locate in this state;
- (6) aid the various communities in this state in attracting business to locate therein;
- (7) advise and cooperate with municipal, county, regional, and other planning agencies and planning groups within the state for the purpose of promoting coordination between the state and localities as to plans and development in order to maintain a high level of gainful employment in private profitable production and achieve commensurate advancement in social and cultural welfare; coordinate the activities of statewide and local planning agencies, correlate information secured from them and from state departments and disseminate information and suggestions to the planning agencies; and encourage and assist in the organization and functioning of local planning agencies where none exist; and may provide at the request of any governmental subdivision hereinafter mentioned planning assistance, which includes but is not limited to surveys, land use studies, urban renewal plans, technical services and other planning work to any city or other municipality in the state or perform similar planning work in any county, metropolitan or regional area in the state. The commissioner shall not perform the planning work with respect to a metropolitan or regional area which is under the jurisdiction for planning purposes of a county, metropolitan, regional or joint planning body, except at the request or with the consent of the respective county, metropolitan, regional or joint planning body. The commissioner is authorized to receive and expend money from municipal, county, regional and other planning agencies; and may accept and disburse grants and other aids for planning purposes from the federal government and from other public or private sources, and may utilize moneys so received for the employment of consultants and other temporary personnel to assist in the supervision or performance of planning work supported by money other than state appropriated money, and may enter into contracts with agencies of the federal government, units of local government or combinations thereof, and with private persons that are necessary in the performance of the planning assistance function of the commissioner. The commissioner may assist any local government unit in filling out application forms for the federal grants-in-aid. In furtherance of their planning functions, any city or town, however organized, may expend money and contract with agencies of the federal government, appropriate departments of state government, other local units of government and with private persons; and
- (8) adopt measures calculated to promote public interest in and understanding of the problems of planning and, to that end, may publish and distribute copies of any plan or any report and may employ other means of publicity and education that will give full effect to the provisions of sections 116J.58 to 116J.63.

116J.656 SMALL BUSINESS ACCESS TO FEDERAL RESEARCH FUNDS.

(a) The commissioner shall assist small businesses to access federal money through the federal Small Business Innovation Research program and the Small Business Technology

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Transfer program. In providing this assistance, the commissioner shall maintain connections to eligible federal programs, assess specific funding opportunities, review funding proposals, provide referrals to specific consulting services, and hold training workshops throughout the state.

(b) Unless prohibited by federal law, the commissioner must implement fees for services that help companies seek federal Phase II Small Business Innovation Research grants. The fees must be deposited in a special revenue account and are annually appropriated to the commissioner for the Small Business Innovation Research and Small Business Technology Transfer programs.

116L.16 DISTANCE-WORK GRANTS.

The Job Skills Partnership Board may make grants-in-aid for distance-work projects. The purpose of the grants is to promote distance-work projects involving technology in rural areas and may include a consortium of organizations partnering in the development of rural technology industry. Grants may be used to identify and train rural workers in technology, act as a catalyst to bring together employers and rural employees to perform distance work, and provide rural workers with physical connections to telecommunications infrastructure, where necessary, in order to be self-employed or employed from their homes or satellite offices. Grants must be made according to sections 116L.02 and 116L.04, except that:

(1) the business match may include, but is not limited to, office space; additional management or technology staff costs; start-up equipment costs such as telecommunications infrastructure, additional software, or computer upgrades; consulting fees for implementation of distance-work policies or identification and skill assessment of potential employees; and the joint financial contribution of two or more businesses acting as a consortium;

(2) cash or in-kind contributions by partnering organizations may be used as a match;

(3) eligible grantees may be educational or nonprofit educational training organizations; and

(4) with respect to grants serving as a catalyst to bring together employers and rural employees to perform distance work, the match must be at least one-to-two.

The board shall, to the extent there are sufficient applications, make grant awards to as many parts of the state as possible. Subject to the requirement for geographic distribution of grants, preference shall be given to grant applications that provide the most cost-effective training proposals, that provide the best prospects for high-paying jobs with high retention rates, or that are from more economically distressed rural areas or communities.

Grantees must meet reporting and evaluation requirements established by the board.

116L.88 LOCAL SERVICE UNIT PLANS.

(a) By April 15, 1999, and by April 15 of each second year thereafter, local service units shall prepare and submit to the commissioner a plan that covers the next two state fiscal years. At least 30 days prior to submission of the plan, the local service unit shall solicit comments from the public on the contents of the proposed plan. The commissioner shall notify each local service unit within 60 days of receipt of its plan that the plan has been approved or disapproved. The plan must include:

(1) a statement of objectives for the employment and training services the local service unit administers;

(2) the establishment of job placement and job retention goals, the establishment of public assistance caseload reduction goals, and the strategies and programs that will be used to achieve these goals;

(3) a statement of whether the goals from the preceding year were met and an explanation if the local service unit failed to meet the goals;

(4) the amount proposed to be allocated to each employment and training service;

(5) the proposed types of employment and training services the local service unit plans to utilize;

(6) a description of how the local service unit will use funds provided under chapter 256J to meet the requirements of that chapter. The description must include what services will be provided, per service expenditures, an estimate of how many employment and training slots the local service unit will provide, how many dollars the local service unit will provide per slot per provider, how many participants per slot, an estimate of the ratio of participants per job counselor, and proposed uses for any residual funds not included in slot allocations to providers;

(7) a report on the use of wage subsidies, grant diversions, community investment programs, and other services administered under this chapter;

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(8) a performance review of the employment and training service providers delivering employment and training services for the local service unit;

(9) a copy of any contract between the local service unit and an employment and training service provider including expected outcomes and service levels for public assistance clients;

(10) a copy of any other agreements between educational institutions, family support services, and child care providers; and

(11) a description of how the local service unit ensures compliance with section 256J.06, requiring community involvement in the administration of MFIP.

(b) In counties with a city of the first class, the county and the city shall develop and submit a joint plan. The plan may not be submitted until agreed to by both the city and the county. The plan must provide for the direct allocation of employment and training money to the city and the county unless waived by either. If the county and the city cannot concur on a plan, the commissioner shall resolve their dispute. In counties in which a federally recognized Indian tribe is operating an employment and training program under an agreement with the commissioner of human services, the plan must provide that the county will coordinate its employment and training programs, including developing a system for referrals, sanctions, and the provision of supporting services such as access to child care funds and transportation with programs operated by the Indian tribe. The plan may not be given final approval by the commissioner until the tribal unit and county have submitted written agreement on these provisions in the plan. If the county and Indian tribe cannot agree on these provisions, the local service unit shall notify the commissioner of economic security and the commissioners of economic security and human services shall resolve the dispute.

(c) The commissioner may withhold the distribution of employment and training money from a local service unit that does not submit a plan to the commissioner by the date set by this section, and shall withhold the distribution of employment and training money from a local service unit whose plan has been disapproved by the commissioner until an acceptable amended plan has been submitted.

(d) Beginning April 15, 1992, and by April 15 of each second year thereafter, local service units must prepare and submit to the commissioner an interim year plan update that deals with performance in that state fiscal year and changes anticipated for the second year of the biennium. The update must include information about employment and training programs addressed in the local service unit's two-year plan and shall be completed in accordance with criteria established by the commissioner.

116U.65 TRANSITION.

(a) Effective July 1, 2004, all Office of Tourism duties of the Department of Employment and Economic Development are transferred to Explore Minnesota Tourism under Minnesota Statutes, section 15.039.

(b) The Department of Employment and Economic Development shall provide research; communications; administration, including fiscal, technology, and human resources assistance; and legislative services to Explore Minnesota Tourism through June 30, 2005. Effective July 1, 2005, one full-time equivalent position for communications and one for research is permanently transferred from the Department of Employment and Economic Development to Explore Minnesota Tourism.

(c) Funding for the services in paragraph (b), rent, and salaries shall be added to Explore Minnesota Tourism's base budget for the biennium ending June 30, 2007, and the base budget for the Department of Employment and Economic Development is reduced by that amount.

129D.13 GRANTS.

Subd. 4. **Program categories and funding programs.** The Board of the Arts may develop program categories and funding programs in television, film and other public media.

176.135 TREATMENT; APPLIANCES; SUPPLIES.

Subd. 1b. **Complementary and alternative health care providers.** Any service, article, or supply provided by an unlicensed complementary and alternative health care practitioner as defined in section 146A.01, subdivision 6, is not compensable under this chapter.

268.085 ELIGIBILITY REQUIREMENTS.

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Subd. 14. **Able to work defined.** "Able to work" means an applicant has the physical and mental ability to perform (1) the usual duties of the applicant's usual occupation or (2) the usual duties of work that is gainful employment engaged in by others as a means of livelihood.

268.086 CONTINUED REQUEST FOR UNEMPLOYMENT BENEFITS ON AN ACTIVE BENEFIT ACCOUNT.

Subdivision 1. **Active benefit account.** (a) A benefit account is considered active only when an applicant files continued requests for unemployment benefits in the manner and within the time periods prescribed. A benefit account is considered inactive if an applicant stops filing a continued request or fails to file a continued request within the time period required. The benefit account is considered inactive as of the Sunday following the last week or biweekly period for which a continued request has been timely filed.

(b) A benefit account that is inactive is reactivated the Sunday of the week that the applicant makes a contact with the department to do so, in the manner prescribed by the commissioner for reactivating that applicant's benefit account. Upon specific request of an applicant, a benefit account may be reactivated effective up to two weeks before the week the applicant made contact with the department to reactivate.

Subd. 2. **Continued request for unemployment benefits defined.** A continued request for unemployment benefits is a certification by an applicant, done on a weekly or biweekly basis as the commissioner designates, that the applicant is unemployed and meets the ongoing eligibility requirements for unemployment benefits under section 268.085 for a specific week or two-week period. A continued request must include information on possible issues of ineligibility in accordance with section 268.101, subdivision 1, paragraph (c).

Subd. 3. **Methods for filing continued requests for unemployment benefits.** (a) The commissioner shall designate to each applicant one of the following methods for filing a continued request:

- (1) by electronic transmission under subdivision 5;
- (2) by mail under subdivision 6; or
- (3) by in-person interview under subdivision 7.

(b) The method designated by the commissioner is the only method allowed for filing a continued request by that applicant. An applicant may ask that one of the other allowed methods be designated and the commissioner shall consider inconvenience to the applicant as well as administrative capacity in determining whether to allow an applicant to change the designated method for filing a continued request for unemployment benefits.

Subd. 5. **Continued request for unemployment benefits by electronic transmission.** (a) A continued request for unemployment benefits by electronic transmission must be filed to that electronic mail address, telephone number, or Internet address prescribed by the commissioner for that applicant. In order to constitute a continued request, all information asked for, including information authenticating that the applicant is sending the transmission, must be provided in the format required. If all of the information asked for is not provided, the communication does not constitute a continued request for unemployment benefits.

The electronic transmission communication must be filed on the date required for the applicant for filing a continued request by electronic transmission.

(b) If the electronic transmission continued request is not filed on the date required, a continued request by electronic transmission must be accepted if the applicant files the continued request by electronic transmission within 14 calendar days following the week in which the date required occurred. If the continued request by electronic transmission is not filed within 14 calendar days following the week in which the date required occurred, the electronic continued request must not be accepted and the applicant is ineligible for unemployment benefits for the period covered by the continued request and the benefit account is considered inactive, unless the applicant shows good cause for failing to file the continued request by electronic transmission within the time period required.

Subd. 6. **Continued request for unemployment benefits by mail.** (a) A continued request for unemployment benefits by mail must be on a form prescribed by the commissioner. The form, in order to constitute a continued request, must be totally completed and signed by the applicant.

The form must be filed on the date required for the applicant for filing a continued request by mail, in an envelope with postage prepaid thereon, and sent to the address required by the commissioner for that applicant.

(b) If the mail continued request for unemployment benefits is not filed on the date required, a continued request must be accepted if the form is filed by mail within 14 calendar days

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following the week in which the date required occurred. If the form is not filed within 14 calendar days following the week in which the date required occurred, the form will not be accepted and the applicant is ineligible for unemployment benefits for the period covered by the continued request for unemployment benefits and the benefit account is considered inactive, unless the applicant shows good cause for failing to file the form by mail within the time period required.

(c) If the applicant has been designated to file a continued request for unemployment benefits by mail, an applicant may submit the form by facsimile transmission on the day otherwise required for mailing, or within 14 calendar days following the week in which the date required occurred. A form submitted by facsimile transmission must be sent only to the telephone number assigned for that purpose.

(d) An applicant who has been designated to file a continued request by mail may personally deliver a continued request form only to the location to which the form was otherwise required to be mailed.

Subd. 7. **In-person continued request for unemployment benefits.** The commissioner may require any applicant who has been designated to make a continued request for unemployment benefits by electronic transmission or by mail to appear for a personal interview at a place, time, and date designated, during which a written continued request for unemployment benefits form must be completed and submitted by the applicant.

An applicant is ineligible for unemployment benefits for the week or biweekly period covered by a continued request and the benefit account is considered inactive if the applicant fails, without good cause, to comply with the requirement that the applicant appear for a personal interview and at that time complete and submit a written continued request form.

Subd. 8. **Good cause.** A continued request for unemployment benefits that is not filed within the time periods required by this section may be accepted only for those weeks that the applicant has "good cause" for not filing within the time periods required.

Subd. 9. **Good cause defined.** "Good cause" for purposes of this section is a compelling substantial reason that would have prevented a reasonable person acting with due diligence from filing a continued request for unemployment benefits within the time periods required.

"Good cause" does not include forgetfulness, loss of the continued request form, having returned to work, or inability to file a continued request for unemployment benefits by the method designated if the applicant was aware of the inability and did not make diligent effort to have the method of filing a continued request changed by the commissioner. "Good cause" does not include having previously made an attempt to file a continued request for unemployment benefits but where the communication was not considered a continued request because the applicant failed to submit all required information.